



Daily Report

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Daily Report China

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17 May 1991

NOTICE TO READERS: On 6 May 1991, the DAILY REPORT will begin phasing in new radio and television sourcelines that reflect how a station identifies itself. This change eliminates the "Domestic Service" and "Television Service" designations in favor of the station identification as broadcast. The presence of a new sourceline reflects this change in policy, rather than the establishment of a new station or network.

NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

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General

Reports Continue on Foreign Ministry Briefing

OW1605114991 Beijing Central People's Radio
Network in Mandarin 0930 GMT 16 May 91

[From the "National Hookup" program]

[Text] Some reporters asked [the Foreign Ministry spokesman]: President Bush said he wanted to extend China's most-favored-nation status for another year. What is China's comment on this?

The spokesman said: We have taken note of the relevant reports. We hope the U.S. side will proceed from the long-term interests of the two peoples and settle the issue in a prudent and proper manner [shen shen tuo shan].

Concerning Sino-U.S. relations, the spokesman said: As long as both sides abide by the principles stipulated in the three communiques between China and the United States, bilateral ties can be improved and developed. China has been doing this and will continue to do so. It is hoped that the United States will do the same.

The reciprocal most-favored-nation treatment provided by China and the United States is a cornerstone of Sino-U.S. economic and trade relations, and is beneficial to both sides, rather than a favor bestowed by one party on another. Since 1979, bilateral trade between China and the United States has increased very rapidly. Had it not been for mutual interests, it would have been impossible for trade to increase so fast. We have said time and again that we will never accept additional conditions for the extension of China's most-favored-nation status.

The spokesman said: If the United States cancels China's most-favored-nation status, it will not only affect China's exports to the United States and vice versa, but also harm the benefits of U.S. consumers, U.S. investors in China, and the economy of other regions, particularly that of Hong Kong, and will ultimately lead to a retrogression [dao tui] in Sino-U.S. relations. This is not beneficial to the people of China and the United States. We do not wish to see the occurrence of such a situation.

Bush Asks Nations To Join Chemical Weapons Ban

OW1605134791 Beijing XINHUA in English
1208 GMT 16 May 91

[Text] Geneva, May 16 (XINHUA)—U.S. President George Bush urged nations around the world on Thursday to join the United States' effort for achieving an effective chemical weapons ban as soon as possible.

In a message to the United Nations conference on Disarmament, Bush expressed the hope that a U.S. initiative in banning toxic weapons would spur other nations to commit themselves equally to a world-wide convention.

"I especially call upon the participants in this conference to exert every effort toward this target and to set themselves the goal of resolving all major outstanding issues by the end of 1991 and completing the chemical weapons convention within the next 12 months," he said.

A possible global chemical weapons convention, which is designed to ban the development, production and use of chemical weapons and eliminate all stocks, is being discussed by the 40-member U.N. conference.

The United States has announced that it will drop its insistence on retaining a right of retaliation with chemical weapons.

The U.S. also said that it would unconditionally destroy all of its chemical weapons stocks and production facilities within ten years of the enactment of the convention.

The offer to renounce chemical weapons was made partly because American experts believe the use of those types of weapons had been devalued in the Gulf war. Iraq, believed to have chemical weapons, did not use them to deter attacks by allied troops.

The Bush administration is also concerned that other countries will seek to develop chemical weapons.

Ambassador Stephen Ledogar, U.S. representative to the U.N. conference, submitted the initiative on behalf of the American Government.

Expressing a sense of urgency, Ledogar proposed that the conference's ad hoc committee on chemical weapons stay in continuous session until the convention is completed to "ensure that no time is lost and no opportunity is wasted."

"Given the urgency of ridding the world of these weapons of terror, we cannot afford to continue 'business as usual' in our negotiations," he said.

U.S. Relief Troops in Bangladesh Criticized

OW1705111191 Beijing XINHUA in English
0929 GMT 17 May 91

[Text] Dhaka, May 17 (XINHUA)—Various organizations have in separate statements expressed concern over the presence of the United States troops in Bangladesh in the name of participation in emergency relief and reconstruction work in the cyclone hit areas.

According to local press reports, they protested the decision of the government for allowing them to come to Bangladesh.

Prime Minister Khaleda Zia said at a meeting on Thursday that it is not the time to make criticisms or to reply to them. The need of the hour is to stand by the helpless and the distressed survivors of the April 29 cyclone, she added.

Meanwhile, the United States relief team comprising Marines has started its relief work in cooperation with the Bangladesh armed forces in the cyclone and tidal surge hit areas of the country, Brigadier M.S.A. Bhuiyan,

acting principal staff officer to the supreme commander and in charge of the relief activities monitoring and coordination cell, said on Thursday.

Briefing newsmen, he said relief operations are in full swing with the supply of relief materials through air, rail and road to provide succor to the cyclone affected people in the southeastern coastal belt.

He said the president's relief godowns, placed at the disposal of the prime minister, started functioning on May 6.

Detailing the relief activities, Brigadier Safat Ahmed, director of operation and planning in the supreme command headquarters, said the U.S. relief team will set up 36 water purifying plants in the cyclone hit areas. Each plant has a capacity to produce 12,000 gallons of pure drinking water.

Replying to a question, he said that besides 10 helicopters of the Bangladesh Air Force, 34 helicopters from foreign countries—24 from the United States, six from India, two from Pakistan and two from China—have been pressed into service to conduct relief operations.

Baker's 'Tough' Mideast Trip Assessed

HK1605113791 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 19, 13 May 91 p 29

[Article by Huang Yong (7806 3144): "Baker's Tough Middle East Trip"]

[Text] Washington (LIAOWANG OVERSEAS EDITION)—In less than two months' time after the Gulf War, U.S. State Secretary Baker has visited the Mideast region three times to seek a settlement of the Arab-Israeli conflict. On the morning of 25 April, when Baker was back in Washington, U.S. mass media believed that his third Mideast mission still was "almost fruitless."

This last round of Baker's Mideast peace efforts was based on the idea of a "regional conference for peace in the Middle East." After the Gulf crisis, the Bush administration has been eager to make progress in the settlement of the Arab-Israeli conflict, which has become conspicuous again after the crisis and which has turned out to be the major contradiction in the Middle East region. So long as this issue remains unsolved, any "new order" in this region will be out of the question. On the other hand, the United States believes that the victory in the war has opened a "rare window of opportunity" in the Mideast peace process. First, the United States' relations with some Arab countries have been strengthened or improved; second, in the Americans' eyes, Iraq now has no more say in the issue of the Arab-Israeli conflict after its defeat in the Gulf war, while the political influence of Jordan and the PLO has been considerably weakened because they supported Iraq in the crisis; and third, in the wake of the defeat of Iraq as Israel's arch enemy, Israel is more assured of its "security" and should thus be grateful to the United States. So the United States should enjoy a higher degree of

freedom in its efforts to mediate the Arab-Israeli conflict. Therefore, during his first Mideast trip, Baker presented an "initiative" by which the United States and the Soviet Union are to preside over a regional peace conference where the participants will be confined to Israel, PLO representatives approved by Israel, peripheral Arab countries, and Saudi Arabia. But practical issues will not be touched on at the plenary meeting of the conference but be dealt with through "double-track" negotiations, namely, talks between Israel and Arab countries to seek an end to the state of war, and negotiations between the Israeli and PLO representatives on the future of Palestine.

Having in general taken into account Israel's stance which rejects any large-scale international peace conference, this initiative satisfies Israel's request for "direct negotiations." So Israel willingly accepted it and, at first sight, some Arab countries appeared willing to consider it as a compromise proposal. Hence, only four days after his second [as published] visit, Baker set foot in the Middle East again to seek a compromise between the two sides and to push for a Mideast regional peace conference.

Although Baker had extended his third Mideast mission again and again and attended meetings with officials of the countries concerned night and day, he was quite disappointed at the outcome. Except Egypt, which has shown the tendency of conditional participation in the "regional conference," no other Arab countries have given official support to the initiative. Syrian Foreign Minister Faruq al-Shar' noted after Baker's visit to his country that he was "not optimistic at all" about Baker's mediation efforts.

The main differences of opinion between Arab countries, on the one hand, and Israel and the United States, on the other, are:

- As far as the formation and functions of the conference are concerned, the Arab countries still insist that the conference should have a broader scope. Syria, in particular, has expressly maintained that "the United Nations should play a main role" and that the plenary meeting of the conference should be a permanent institution with a certain degree of authority. Israel was at the very beginning opposed to the participation of any big powers other than the United States and the Soviet Union, and tried to render the plenary meeting a mere "opening session" which will produce nothing binding upon any parties. Although Israel has now reluctantly agreed to let the European Community attend the conference, it firmly objects to UN intervention in the matter, and demands a veto power regarding the resumption of meeting.
- As far as the status of Palestinian representatives is concerned, Arab countries maintain that the Palestinian people have the right to nominate their own representatives, while the United States and Israel are strongly opposed to the participation of any PLO representatives in the conference, and Israel even refuses to have dialogue with any Palestinians from

Israeli-occupied East Jerusalem as an expression of its firm determination to retain the area.

—As far as the content of the conference is concerned, Arab countries insist that any international conference must fully and fairly implement Resolutions No. 242 and 338 of the UN Security Council, including the return of the Arab territories that Israel seized during the several wars in the past. Although the Palestinian people are entitled to the political right of self-determination, Israel refuses to make any commitment to return the territory but insists that the Palestinian people can only enjoy "limited autonomy" rather than self-determination.

[Text] The mass media here believe that the reason Baker has failed to iron out the differences of opinion between Arab countries and Israel is first of all because the United States' "regional peace conference" initiative, though seemingly fair, is partial to Israel. The crux of the "regional conference" is to put aside the UN and other countries which have interests in this region so that the United States will be able to exert pressure on those Arab countries participating in the conference, in pursuit of a settlement favorable to Israel. As for the Soviet Union's participation in the conference, the United States believes that, given the current situation, it will be conducive to the conference; and, by the way, the conference is merely a matter of form, while the "double-track" negotiations are really substantial. A signed article published in the U.S. CHRISTIAN SCIENCE MONITOR pointed out: Baker's initiative, though "high-sounding", is nothing but a refurbished version of the "direct negotiation" program that Israel has long been recommending, and, after all, the purpose of "double-track negotiations" on the Mideast peace issue is to sidestep the Palestinian territorial issue.

Second, Israel has taken a stiff attitude. Some U.S. newspapers noted: Now that Iraq, which was Israel's strong opponent, was bitterly defeated, and the PLO's political position has been weakened since it sided with Iraq, Israel feels that "it is less worthwhile for it to pay a price for peace now than any time." Therefore, Israel has stepped up its migration plan in the Israeli-occupied Arab territory, while pursuing the "two-no policy" (that is, not to give up the Arab territory it has occupied and not to recognize the PLO). Even the United States, which has always been partial to Israel, has complained about this. During his third Mideast mission, Baker requested that Israel make some gestures, say, to let the UN Secretary General attend the proposed "regional conference" and to admit a Palestinian representative residing in East Jerusalem into the conference. But such suggestions were all turned down by Israel, which made Baker unhappy. He said he had "left the problem to Israel," and would stop his mediation efforts if no response was received.

Third, the United States has underestimated the Arab people's determination to solve the Palestinian issue and to recover their occupied territory. WASHINGTON POST noted: The United States thinks that some Arab countries should be grateful to it because of its contributions to the

settlement of the Gulf crisis. This view is "absurd," the newspaper said. "There seems to be no link" between the Arab countries' attitude toward the Gulf crisis and their stand on the Arab-Israeli conflict. The United States has expected that Saudi Arabia would be the first to reconcile with Israel. However, Saudi Arabia has declared that the participants in the initial stage of the "regional conference" should be confined to Israel and those countries involved in territorial controversy with Israel. This indicates that the Arab world is unanimous in the Arab-Israel conflict. In other words, so long as the Arab territorial issue and the Palestinian issue are not fairly settled, the normalization of the relations between Arab and Israel will be out of the question.

Having travelled frequently to and from the Middle East for nearly two months, Baker cannot but admit that the Mideast peace process is "facing numerous difficulties ahead" and it is "hard to keep the process under control." It is revealed that Baker would possibly visit the Middle East again to make the last round of efforts after consulting with President Bush.

Soviet Foreign Minister on Middle East Tour

OW1605121891 Beijing XINHUA in English
0559 GMT 16 May 91

[Text] Moscow, May 15 (XINHUA)—Soviet Foreign Minister Aleksander Bessmertnykh said upon his return from the Middle East today that a real chance to resolve the Middle East problem has presented itself and must not be missed.

Bessmertnykh told TASS that the work to solve the Middle East problem is more complicated than was previously expected, but all countries in the region are talking about exploration for peace in the region.

Leaders of Saudi Arabia, Jordan, Egypt, Syria, Israel and the Palestine Liberation Organization, whom he met, all called for an active role to be played by the Soviet Union in the region, he said.

On Palestinians' participation in a Middle East peace conference, the Soviet foreign minister said there may be three alternative ways: they may participate as an independent delegation, as part of an Arab delegation, and as part of a Jordanian-Palestinian delegation. He said the Soviet Union will support any one of the three ways.

The Soviet Foreign Ministry will establish a special team to tackle problems connected with the process of Middle East peace, Bessmertnykh added.

United States & Canada

PRC Grain Imports From U.S. Top 10 Billion

OW1705105091 Beijing XINHUA in English
0852 GMT 17 May 91

[By Qian Wenrong]

[Text] New York, May 16 (XINHUA)—China has imported 77 million tons of grain from the United States for a total of 10.7 billion U.S. dollars since 1972, said Lin Zhongming, president of the China National Cereals, Oils and Foodstuffs Import and Export Corporation, here tonight.

Lin, who is on a business visit to the United States, disclosed the figure at a dinner party held in New York's luxury "Waldorf-Astoria" hotel in celebration of the 10th anniversary of the establishment of the Ceroilfood (New York) Inc.

Lin told more than 300 American guests and representatives from Argentina, Australia and Canada that with a recent purchase of another 2.1 million tons, China has bought over four million tons of U.S. wheat during 1991.

With the economic reform continuing in China, Lin said, Ceroilfood has recently established three overseas regional holding companies to advance China's traditional business and cooperation in the years ahead. One of the three, Ceroilfood America Holding, is located in New York to cover business both in North and South America, he added.

Wang Lan, newly appointed president of Ceroilfood (New York) Inc., said that within the decade beginning 1981, China purchased from the United States almost 40 million tons of wheat, 2 million tons of corn, 420,000 tons of soybean and 145,000 tons of sugar through the consistent operation of the company.

He said his company has also played an important role in China's purchase of wheat, barley, edible oil and fish meal from the EEC market, Canada, Australia, Argentina and other South American countries in the past ten years, which totaled six billion U.S. dollars.

China's permanent representative to the United Nations, Ambassador Li Daoyu, said that since China is at once a big importer and a big exporter of agricultural products, there exists great potential for Ceroilfood (New York) Inc. and its U.S. counterparts to develop trade relations.

"I am sure their cooperation will yield rich fruits along the path of mutual benefit," he added.

Extending greetings on the occasion on behalf of the U.S. Department of Agriculture, Dr. Duane Acker, administrator of Foreign Agricultural Service of the U.S. Development Agency, thanked the Chinese Ceroilfood Company in New York for its role "in making China one of the United States' best markets for agricultural products, and its largest importer of wheat."

He assured China that "the United States will remain a reliable supplier of quality products at competitive prices."

From 1952, when the China National Cereals, Oils and Foodstuffs Import and Export Corporation was founded, to 1990, China's import and export volume of cereals,

oils and foodstuffs amounted to 120 billion U.S. dollars, accounting for 15 percent of China's total trade volume in the same period.

Soviet Union

Further Reports on Jiang Zemin's Visit to Moscow

Gorbachev Fetes Jiang

HK1605140491 Beijing XINHUA Domestic Service in Chinese 0635 GMT 16 May 91

[Report by correspondents Shen Faliang (3088 3127 5328) and Tang Xiuzhe (0781 0208 0772): "President Gorbachev Fetes General Secretary Jiang Zemin"]

[Text] Moscow, 15 May (XINHUA)—Gorbachev, Soviet president and general secretary of the CPSU Central Committee, tonight held a grand banquet in the Great Kremlin to warmly welcome Jiang Zemin, general secretary of the CPC Central Committee.

Before the banquet commenced, Gorbachev and Jiang Zemin each shook hands with the guests at the banquet.

The Soviet members present at the banquet were: Vice President Yanayev; Lukyanov, chairman of the USSR Supreme Soviet; Prime Minister Pavlov; Ivashko, deputy general secretary of the CPSU Central Committee; Minister of Foreign Affairs Bessmertnykh; Chairman of State Security Kryuchkov; Minister of Internal Affairs Pugo; Defense Minister Yazov; and others.

The Chinese members present at the banquet were: Qin Jiwei, state councillor and minister of National Defense accompanying General Secretary Jiang Zemin on the tour; Qian Qichen, state councillor and foreign minister; Wen Jiabao, alternate member of the Secretariat of the CPC Central Committee and director of the Central Committee General Office; Zhu Liang, head of the CPC Central Committee International Liaison Department; Li Lanqing, minister of Foreign Economic Relations and Trade; Chinese ambassador to the Soviet Union Yu Hongliang; and others.

First Gorbachev gave a welcoming address at the banquet, expressing an enthusiastic and warm welcome to General Secretary Jiang Zemin and the whole Chinese body present at the banquet, saying he believed the visit would be a complete success and open a new chapter in Sino-Soviet relations.

He said the seeds of mutual friendliness and trust sown at the significant Sino-Soviet meeting in Beijing and Shanghai in May 1989 have sprouted into very good seedlings. As a result of joint efforts the new relations between China and the Soviet Union have successfully passed the "trial" period and have borne positive fruit. Life in reality has proved that the foundation and principles of our cooperation correspond to the fundamental interests of our two countries as well as the entire international community.

Gorbachev said: "Today Comrade Jiang Zemin and I had a talk great in detail and rich in content. Both pointed out with satisfaction that the development of Sino-Soviet relations has made great progress."

He pointed out: "Full-scale political dialogue is progressing smoothly. This includes meetings and correspondence between high-ranking leaders, mutual visits by ministers and members of the legislature of the two countries, as well as intercourse between scholars, literary men and artists, and personages of various social circles. The CPSU and CPC restored their relations on a new basis. In my opinion, what was important was not only the wide-ranging nature of dialogue but also its tone: Frank and sincere with a mutual respect for each other's interests, views, and customs—these were all equally important. I am convinced that the meetings during this visit will further consolidate and increase the undoubtable result of Sino-Soviet cooperation."

Gorbachev said: "Now both of us have chosen the policy of building 'an open economy' and actively entering into the world economy. I believe that all the new things that have appeared under our cooperation—namely direct economic ties at the regional, departmental, and enterprise levels between the two countries; joint research in the most advanced scientific fields and the first batch of joint venture firms—all these, in view of the potential of the two countries, will have great prospects for development as long as both countries are interested. This kind of development will have a very solid foundation, which is of mutual benefit, and complements the economies of the two countries and also, at the present stage, comradely mutual help."

[Text] "There is another important aspect to the Soviet-Chinese exchanges, that is, they enrich each other's experience of reform and can compare with each other their respective problems and the solutions to these problems."

"In such big multinational countries as China and the Soviet Union, especially in our stormy world of the present age, conducting such a large-scale transformation and change is a matter of special responsibility. We advocate transforming socialism, and the process of transforming socialism can succeed only when constructive, and what I call evolutionary, methods are used while its revolutionary nature is maintained."

"We understand the efforts made by the leaders of the People's Republic of China in building a socialism with Chinese characteristics. We highly value your support for reform in the Soviet Union."

"It is our profound belief that maintaining social and political stability is an indispensable requisite for the success of deepening reform."

He pointed out: "At present, stability in international affairs is also of extraordinary importance. Of course this is not to deny that life takes all forms and is ever changing and colorful. No. What I mean is that changes are predictable and each of us must pay attention to and

safeguard the peace which is still very fragile at the moment, and cherish and consolidate the positive momentum that enables mankind to move into the 21st century with full confidence.

"Experience in the past months has proved that the conclusion of the global 'cold war' does not mean that a new world order can be formed at one stroke. In today's world development, as during a drifting ice season or a flood season, there are also whirlpools and latent dangers tend to surface. Sometimes, the river water is jammed or is even held back by an inverted stream. Only when the countries in an extensive range reach mutual understanding and consensus can it be possible to approach the target most reliably and most safely."

He stressed that the new development in Soviet-Chinese relations is not directed against a third country. On the contrary, the trust and overt cooperation between the two countries is becoming one of the firm pillars of the stability, security, and development of Asia and the whole world.

He said: "Our countries' talks on reduction of respective armed forces in the Soviet-Chinese border area and increase of trust in the military field are having a positive impact on all the processes around the world. And this is probably the first case in the Asian-Pacific region. Our common goal is to reduce our respective armed forces to the minimum level that conforms to good-neighborly relations."

"The two sides have also made marked progress in settling border issues, the result of which is that the Soviet-Chinese border, 7,500 km in length, is becoming a zone of peace and tranquility. It is clear to everybody how important this is to the two countries, the two peoples, and to the entire region."

He also noted that normalization of the Soviet-Chinese relations is beneficial not only to Asian countries, but also to all countries. The mutual understanding between the Soviet Union and China has a global significance for eradicating the source of world tensions, because the Soviet Union and China, as permanent members of the UN Security Council, have a special responsibility to safeguard world peace. The incident that happened in the Middle East not long ago indicates that cooperation in this respect is conducive to strengthening the positive role of the UN in the activities of the entire international community.

[Text] Gorbachev stressed: Soviet-Chinese relations are not some kind of card in a geopolitical game. Current Soviet-Chinese relations are an important constant of international stability. The Soviet Union and China, each in its own way and totally independently, are contributing to active and fruitful international cooperation in all areas.

In delivering the return speech at the banquet, Comrade Jiang Zemin expressed his heartfelt thanks for the grand reception given by the Soviet side. He took this opportunity to convey to the Soviet people cordial regards

from the Chinese people. He believes that the meeting of the Chinese and Soviet leaders this time will deepen the understanding, friendship, and cooperation between the two countries and the peoples of the two countries. He said: "China and the Soviet Union are close neighbors, united by mountains and rivers. Over many years, the peoples of our two countries lived in mutual understanding, lent each other support, and established deep friendship. Although the development of Sino-Soviet relations has not always sailed freely, the Chinese people have never forgotten the feeling of friendship which the Soviet people have for the Chinese people. Sino-Soviet relations have finally moved onto the grounds of sound development as a result of common efforts by both sides. In the past two years, relations in politics, economics, science and technology, culture and education, and military affairs have developed steadily, and contacts and ties between the Communist Parties of both countries have continued to expand. Both sides are satisfied, and also gratified, with this development.

"Today, in looking back at the past, we feel even more the importance of mutual understanding and cherish even more the normalization of Sino-Soviet relations, the realization of which has not been easy. We think that China and the Soviet Union have great potential and broad prospects for even deeper communication and cooperation in all spheres. The normal development of Sino-Soviet relations not only meets the general aspirations and fundamental interests of the peoples of both countries but also furthers peace and stability in the Asia-Pacific region and the improvement of international relations as a whole. An international public opinion has justly assessed this positively."

Jiang Zemin said that China's decades of experience in construction show that only socialism can save and develop China. He said: "In the course of socialist construction, it is necessary to assign primary importance to economic construction. It is necessary, while adhering to a correct political orientation and preserving stability and unity, to implement reform with all seriousness. Reform is a process of self-improvement and development of the socialist system. Its aim is, in order to develop the advantages of socialism, to stimulate the development of production forces, to give impetus to the all-round progress of society, and to gradually raise the living standards of the people. The construction of socialist modernization is a long and extremely difficult task. Peoples of all nationalities in our country, under the leadership of the CPC, have attained, through wholehearted efforts of self-sacrificing struggle, the first step of its strategic objective. Economic power has grown, the people's lives have improved, and a stable and unified political situation is being constantly strengthened. The recent Fourth Session of the Seventh NPC [National People's Congress] approved the 10-Year Program for national economic and social development and the Outline of the Eighth Five-Year Plan, defining the second-step strategic objective of quadrupling the GNP of 1980 by the end of this century. We will, following the socialist

way, continue to implement reform and an open policy; stimulate the continuous, stable, and harmonious development of the national economy; perfect socialist democracy and law and order; and devote ourselves to the building of a spiritual civilization. On the way forward, various difficulties and problems will arise, but the Chinese people are unshakable in their resolve to build socialism with Chinese characteristics.

"The Chinese people profoundly honor the work begun by Lenin and intently watch the development of the first socialist state. Involved in creative labor and sustaining colossal sacrifices, the Soviet people, over the last 70 years, have made significant contributions to the work of socialism and the treasure of world civilization. The Chinese people have found inspiration and support in this. As true friends of the Soviet people, with all our hearts we would like the work of socialism in the Soviet Union to advance, the state to be united, society to be stable, the economy to be prosperous, and the people happy. The Soviet people are a great people. The Soviet Union has rich resources, and a powerful scientific, technical, and industrial basis. We are convinced that the Soviet people will continue to make their contribution to peace and development in the whole world."

Jiang Zemin pointed out: "In recent years there have been many major changes in the international situation. Military confrontation has weakened somewhat. Advances in talks on controlling arms, including talks on nuclear arms, have occurred. Prospects for the political settlement of the problems of some hot points have appeared. All this is to be welcomed. A fundamental improvement in international relations has not occurred, however. Hegemony and the politics of strength still exist. The gap between the poor South and rich North continues to grow. Certain political, economic, and ethnic contradictions that have long existed in covert form are gradually coming to the surface and becoming exacerbated, leading to fresh regional conflicts. The world is still a very uneasy place. The encouragement of improvements in international relations and the creation of a just and sensible new world order have become a vital task for governments and peoples in different countries."

[Text] "The issue of a new world order is being widely discussed throughout the world right now. The creation of a new international political and economic order is a labor-intensive process. This new order requires that the affairs of people of a particular country be decided by the people of that particular country themselves; that no foreign state must interfere in the internal affairs of other countries; that all countries, large or small, rich or poor, have equal rights; and that world affairs should be decided by various countries through consultations. The new order should be built on the principles of mutual respect for sovereignty and territorial integrity, mutual nonaggression, noninterference in each other's internal affairs, equality of rights, mutual advantage, and peaceful coexistence. That is because these principles are in line with the objectives of the UN Charter. They have

withstood the test of time and have received widespread recognition from the international community. The Chinese nation loves peace. More than 2,000 years ago one of our thinkers in the age of the 'warring kingdoms' came out with the principles that 'the strong should not give orders to the weak' and 'the rich should not offend the poor.' To pursue construction and reform, China needs a stable and peaceful international situation for the long term. We are prepared, jointly with the Soviet Union and other countries in the world, to bend our efforts to make a contribution to the creation of a just and sensible new international order."

In conclusion, the general secretary of the CPC Central Committee stressed: "The world needs peace, society needs development, and the people need friendship. This is an irresistible historical necessity. China will invariably adhere to its own independent peaceful foreign policy, will do everything to defend peace in the world, and will maintain and develop relations of friendship and cooperation with foreign countries. China is in the Asia-Pacific region, and follows security and stability in the region with interest. China is prepared to establish friendly good-neighborly relations with the countries of the Asia-Pacific region and to stimulate joint development and prosperity."

Gorbachev's and Jiang Zemin's speeches were warmly applauded by the banquet participants. The banquet proceeded in a cordial and friendly atmosphere from beginning to end.

Beijing TV Covers Banquet

OW1605130191 Beijing Central Television
Program One Network in Mandarin 1000 GMT
16 May 91

[From the "National News Hookup" program]

[Text] [Video opens by showing Jiang Zemin, accompanied by Gorbachev and his wife, walking in a spacious lobby, cuts to shots of Jiang Zemin shaking hands with unidentified Soviet officials while Gorbachev is standing by Jiang's side. Then, Qin Jiwei is seen shaking hands with Gorbachev, Yazov is seen shaking hands with Jiang, and Qian Qichen is seen shaking hands with Gorbachev and Jiang.] Soviet President Gorbachev hosted a banquet on the evening of 15 May in the Kremlin in honor of General Secretary Jiang Zemin.

[Video cuts to show a grand banquet hall, followed by a close up of Gorbachev speaking from a script.] The host and guest delivered ebullient speeches. To begin his speech, Gorbachev extended a warm welcome to Jiang Zemin on his current visit to the Soviet Union on the second anniversary of the Soviet-Chinese meeting. He said: That meeting turned the relationship between our two great countries into one of ending the past and opening up the future just as Comrade Deng Xiaoping described. [Camera pulls back to give a long shot of Gorbachev, followed by closeups of Jiang Zemin, Qin Jiwei, and Qian Qichen.] He said: Through the joint

efforts of the two countries, the new Soviet-Chinese relations have begun to yield significant and great beneficial results.

[Video shows closeup of Gorbachev.] Gorbachev said: I held talks with Comrade Jiang Zemin this afternoon. Both sides affirmed with satisfaction that the Soviet Union and China had made great progress in developing their relations.

[From now on, video shows Jiang Zemin, flanked by Soviet President Gorbachev on his left and Mrs. Gorbachev on his right, standing and speaking from a script, with occasional intercuts showing others at the banquet.] In his speech, Jiang Zemin reviewed the profound Sino-Soviet friendship founded through a long period of time. He said: The past two years have seen steady development of relations between the two countries in various fields as well as the constant expansion of contacts and ties between the two parties. This is satisfactory to both sides.

Jiang Zemin said: We believe that great potential and bright prospects exist for China and the Soviet Union to deepen their exchanges and cooperation in all fields. The normal development of Sino-Soviet relations not only conforms to the common aspiration and basic interests of the two peoples, but is also conducive to the peace and stability in the Asia-Pacific region and the improvement of the international relations as a whole. Just opinion in the world has made positive appraisals of this.

Referring to New China's 40-year course of development, Jiang Zemin said: Practical construction over the past decades has made us deeply aware that only socialism can save and develop China. We should put economic construction in focus in the process of socialist construction.

Socialist modernization, Jiang Zemin pointed out, is a protracted and arduous task. He said: The Chinese people highly respect the cause pioneered by Lenin and pay great attention to the development of the first socialist country. During the past 70-plus years, the Soviet people expended creative labor and made great sacrifices and contributed significantly to the socialist cause and world civilization. As faithful friends of the Soviet people, we sincerely hope that the socialist cause of the Soviet Union will thrive and develop; it will enjoy national unity, social stability, and economic prosperity; and its people will lead a happy life.

Touching on the international situation, Jiang Zemin said: Promoting healthy international relations and establishing a new just and reasonable world order have become an impending task before all governments and peoples. He said: The new order requires the affairs of the peoples of all countries to be decided by themselves. No countries should interfere in the internal affairs of other countries. All countries, big or small, rich or poor, should be equal. World affairs should be solved through consultations among various countries.

[Video ends with shots showing Jiang Zemin drinking with Gorbachev and his wife and Qin Jiwei drinking with Gorbachev and an unidentified lady.]

Jiang Makes Speech

OW1605203691 Beijing XINHUA Domestic Service
in Chinese 1454 GMT 16 May 91

[Text] Moscow, 15 May (XINHUA)—Jiang Zemin, general secretary of the CPC Central Committee, made a speech at the grand banquet given in his honor by Soviet President and General Secretary of the CPSU Central Committee Gorbachev on the evening of 15 May. The text of the speech is as follows:

Esteemed Comrade M.S. Gorbachev! Esteemed comrades and friends!

Two years ago at this time, Comrade Gorbachev visited China and held an historic summit with Comrade Deng Xiaoping, as a result of which the multilateral normalization of Sino-Soviet relations took place. On this memorable day, I arrived in the USSR, where I have not been for many years, at the invitation of Comrade Gorbachev in order to exchange opinions on questions of interest to both sides, to discuss together the prospects for the development of Sino-Soviet relations, and to meet with other Soviet leaders and many old friends of the Chinese people. I am extremely glad about this. I would like to express my heartfelt thanks for such a ceremonial reception. Allow me also to avail myself of the occasion to convey to the Soviet people cordial greetings from the Chinese people.

China and the Soviet Union are close neighbors, united by mountains and rivers. Over many years, the peoples of our two countries lived in mutual understanding, lent each other support, and established deep friendship. Although the development of Sino-Soviet relations has not always sailed freely, the Chinese people have never forgotten the feeling of friendship which the Soviet people have for the Chinese people. Sino-Soviet relations have finally moved onto the grounds of sound development as a result of common efforts by both sides. In the past two years, relations in politics, economics, science and technology, culture and education, and military affairs have developed steadily, and contacts and ties between the Communist Parties of both countries have continued to expand. Both sides are satisfied, and also gratified, with this development.

Today, in looking back at the past, we feel even more the importance of mutual understanding and cherish even more the normalization of Sino-Soviet relations, the realization of which has not been easy. We think that China and the Soviet Union have huge potential and broad prospects for even deeper communication and cooperation in all spheres. The normal development of Sino-Soviet relations not only meets the general aspirations and fundamental interests of the peoples of both countries but also furthers peace and stability in the

Asia-Pacific region and the improvement of international relations as a whole. An international public opinion has justly assessed this positively.

Comrades! Friends! Over 40 years have passed since the birth of the New China. Decades of practical construction have made us feel deeply that only socialism can save and develop China. In the course of socialist construction, it is necessary to assign primary importance to economic construction. It is necessary, while adhering to a correct political orientation and preserving stability and unity, to implement reform with all seriousness. Reform is a process of self-improvement and development of the socialist system. Its aim is, in order to develop the advantages of socialism, to stimulate the development of production forces, to give impetus to all-round progress of society, and gradually to raise the living standards of the people. The construction of socialist modernization is a long and extremely difficult task. Peoples of all nationalities in our country, under the leadership of the CPC, have attained, through wholehearted efforts in self-sacrificing struggle, the first-step strategic objective. Economic power has grown, the people's lives have improved, and a stable and unified political situation is being constantly strengthened. The recent Fourth Session of the Seventh NPC [National People's Congress] approved the 10-Year Program for national economic and social development and the Outline of the Eighth Five-Year Plan, defining the second-step strategic objective of quadrupling the GNP of 1980 by the end of this century. We will, following the socialist way, continue to implement reform and open policy; stimulate the continuous, stable, and harmonious development of the national economy; perfect socialist democracy and law and order; and devote ourselves to the building of a spiritual civilization. On the way forward, various difficulties and problems will arise but the Chinese people are unshakable in their resolve to build socialism with Chinese characteristics.

The Chinese people profoundly honor the work begun by Lenin and intently watch the development of the first socialist state. Involved in creative labor and sustaining colossal sacrifices, the Soviet people, over the last 70 years, have made significant contributions to the work of socialism and the treasure of world civilization. The Chinese people have found inspiration and support in this. As true friends of the Soviet people, with all our hearts we would like the work of socialism in the Soviet Union to advance, the state to be united, society to be stable, the economy to be prosperous, and the people happy. The Soviet people are a great people. The Soviet Union has rich resources, and a powerful scientific, technical, and industrial basis. We are convinced that the Soviet people will continue to make their contribution to peace and development in the whole world.

[Text] Comrades, friends!

In recent years there have been many major changes in the international situation. Military confrontation has weakened somewhat. Advances in talks on controlling

arms, including talks on nuclear arms, have occurred. Prospects for the political settlement of the problems of some hot points have appeared. All this is to be welcomed. A fundamental improvement in international relations has not occurred, however. Hegemony and the politics of strength still exist. The gap between the poor South and rich North continues to grow. Certain political, economic, and ethnic contradictions that have long existed in covert form are gradually coming to the surface and becoming exacerbated, leading to fresh regional conflicts. The world is still a very uneasy place. The encouragement of improvements in international relations and the creation of a just and sensible new world order have become a vital task for governments and peoples in different countries.

The issue of a new world order is being widely discussed throughout the world right now. The creation of a new international political and economic order is a labor-intensive process. This new order requires that the affairs of people of a particular country be decided by the people of that particular country themselves; that no foreign state must interfere in the internal affairs of other countries; that all countries, large or small, rich or poor, have equal rights; and that world affairs should be decided by various countries through consultations. The new order should be built on the principles of mutual respect for sovereignty and territorial integrity, mutual nonaggression, noninterference in each other's internal affairs, equality of rights, mutual advantage, and peaceful coexistence. That is because these principles are in line with the objectives of the UN Charter. They have withstood the test of time and have received widespread recognition from the international community. The Chinese nation loves peace. More than 2,000 years ago one of our thinkers in the age of the "warring kingdoms" came out with the principles that "the strong should not give orders to the weak" and "the rich should not offend the poor." To pursue construction and reform, China needs a stable and peaceful international situation for the long term. We are prepared, jointly with the Soviet Union and other countries in the world, to bend our efforts to make a contribution to the creation of a just and sensible new international order. The world needs peace, society needs development, and the people need friendship. This is an irresistible historical necessity. China will invariably adhere to its own independent peaceful foreign policy, will do everything to defend peace in the world, and will maintain and develop relations of friendship and cooperation with foreign countries. China is in the Asia-Pacific region and follows security and stability in the region with interest. China is prepared to establish friendly good-neighborly relations with the countries of the Asia-Pacific region and to stimulate joint development and prosperity.

Comrades! Friends!

My colleagues and I have brought the Chinese people's friendship to the Soviet Union, and we will take back with us the Soviet people's friendship. We believe that

this meeting of Chinese and Soviet leaders will deepen understanding, friendship, and cooperation between our two countries and peoples.

I propose a toast:

To the evergreen tree of friendship between the Chinese and Soviet peoples;

To successful development of relations between two countries—the PRC and the USSR, between two Communist Parties;

To the happiness of the Soviet Union's peoples;

To peace in the whole world;

To the health of Comrade M.S. Gorbachev and of all the comrades and friends who are present here.

Gorbachev's Banquet Statement

OW1605191791 Beijing XINHUA Domestic Service
in Chinese 1502 GMT 16 May 91

["Text" of speech by USSR President and General Secretary of the CPSU Central Committee Gorbachev at dinner in honor of Jiang Zemin, general secretary of the CPC Central Committee, in Moscow on 15 May]

[Text] Moscow, 15 May (XINHUA)—Esteemed Comrade Jiang Zemin!

Dear Chinese guests!

Comrades!

First, permit me to warmly and cordially welcome Comrade Jiang Zemin, general secretary of the Central Committee of the CPC and chairman of the Central Military Commission of the PRC, and all Chinese friends to Moscow.

This month sees the second anniversary of the significant Sino-Soviet meetings in Beijing and Shanghai. As Comrade Deng Xiaoping figuratively put it, these meetings enabled "the past to be closed and the future to be opened" in relations between our two great countries. The seeds that were sown at that time for mutual good will and trust have grown into good seedlings. Grounds definitely exist on which we can say that the new Sino-Soviet mutual relations, thanks to joint efforts, have successfully passed their "test period" and are already bearing weighty and useful fruits.

This is natural since the principles of cooperation, taken by us as the basis, meet the fundamental interests of our countries and the entire world community, as confirmed by life.

Today, Comrade Jiang Zemin and I had a conversation which was thorough and very rich in content. Both sides noted with satisfaction significant progress in the development of Soviet-Chinese ties. A full-format political dialogue is proceeding successfully. This includes both meetings and exchanges of messages at high levels and

visits of ministers and members of parliament. This includes also contacts between scientists, cultural figures, and public representatives. Ties between the CPSU and the CPC have resumed on a new basis. I think that not only the broad range of dialogue is important. Its tone is of great significance, as is its inherent openness and respect for each others' interests, views, and customs. I am convinced that the current meetings will make it possible to reinforce and multiply the undoubted achievements of Sino-Soviet cooperation.

In removing many years of obstructive mutual suspicion, we broke through together to pure sources of mutual understanding and liking that are deeply rooted in the history and the very character of our peoples. We also have been able to lean on that which is best in our ties, which was laid down jointly in the 1950s. Incidentally, this all occurred with the personal participation of our lofty and much-respected guest, Comrade Jiang Zemin, who in those years worked at the auto plant named after (Lihachov). Now our countries have taken the course of building "an open economy" and taking an active part in the world economy.

I think that all that is new that has appeared in our cooperation—direct economic ties between regions, industrial sectors, and enterprises; joint research in the most up-to-date directions in science and technology; first joint-venture companies—all this, considering the potential of both states, may, given mutual interest, develop very positively in the future. There is a firm foundation for this—mutual advantageousness, the complementary nature of our economies, and, in the current complicated period, comradely mutual assistance.

Naturally, of immense value is the opportunity acquired again by the peoples of the Soviet Union and China to see the faces of their neighbors more closely, to get to know one another better, to come into contact with the wealth of the civilization of each of the countries, to establish direct human contacts. Such relations provide yet another important dimension—mutual enrichment with the experience of reforms, and the comparison of problems which arise and methods for their resolution.

Although the objective conditions of our two countries are not entirely identical, their problems are in many ways similar. The "super task" facing our countries, it seems to me, coincides: taking into account world experience, without losing our own supreme national values and cultural originality; and modernizing society, its economy, and the state in the interests of the working people, of the whole people.

The turns and changes on such a large scale in such huge multinational countries as China and the Soviet Union, and particularly in our stormy present-day world, entail exceptional responsibilities. The processes of the renewal of socialism—and we are supporters of it—can be successful if, while remaining revolutionary in essence, they are implemented by constructive, I would say evolutionary, methods. For both we and you,

respected Chinese comrades, know all too well what the attempts to change a huge country in one single go by means of "great changes" or a "Great Leap Forward" are fraught with.

Our attitude toward the efforts of the PRC leadership in constructing socialism with Chinese characteristics is one of understanding. We value highly your support for reform in the Soviet Union.

[Text] The preservation of socio-political stability, in our opinion, is the indispensable condition for the success of profound reforms.

Stability is exceptionally important just now in international affairs as well. Of course, this is not a matter of denying the spectrum of colors and dynamism of life in all its variety. No. I am talking about the predictability of change, the necessity of a universal concern about preserving an as yet fragile peace, and the careful consolidation of positive tendencies which allow mankind to set foot on the threshold of the 21st century with confidence and optimism.

As the experience of recent months bears out, the halting of the global "cold war" does not mean the appearance of a new world order overnight. In modern world development, just as when the ice breaks up and the rivers flood, whirlpools appear as well which often reveal hidden dangers, and at times obstructions arise and there is even movement backwards. The most reliable, safe approach to the goal can be ensured only with mutual understanding and agreement between a wide circle of states.

Here as well, Sino-Soviet relations, it seems to me, play their particular, irreplaceable role. Their ongoing, new development is not directed against third countries. On the contrary, trust and open cooperation between our states are becoming one of the durable supports of stability, security, and development in Asia and the world as a whole.

I believe that the talks between our countries on the mutual reduction of armed forces and the strengthening of confidence in the military sphere in the area of the Sino-Soviet border are having a positive affect on world processes. This is, perhaps, the first precedent of this kind in the Asia-Pacific region. Our common goal is the mutual reduction of armed forces to the minimum level corresponding with truly good-neighborly relations.

Tangible progress has been achieved also in the matter of a border settlement. As a result, the Sino-Soviet border—7,500 km long—is becoming a belt of peace and tranquillity. It is understandable how important this is for our countries, peoples, and the entire region.

In a word, not a single Asian country has suffered from the normalization of Sino-Soviet relations. On the contrary, it is good for not only Asian countries but all countries. The mutual understanding between the Soviet Union and China is of global significance for removing the hotbeds of tension on the planet. After all, the USSR

and the PRC—as permanent members of the UN Security Council—bear a special responsibility for maintaining international peace. Cooperation in this field, as recent events in the Middle East have demonstrated, serves the strengthening of the United Nations' beneficial role in the life of the entire world community.

I think, esteemed Comrade Jiang Zemin, that today we can register with satisfaction that in the leadership of our countries a thorough understanding of the intrinsic value of Sino-Soviet relations has occurred. They are not some kind of a card in a geopolitical game. No! Current Sino-Soviet relations are an important constant of international stability. The Soviet Union and China—of course, each in its own way and totally independently—are contributing to active and fruitful international cooperation in all areas.

Tomorrow we will continue talks with Comrade Jiang Zemin. I am confident that the current visit by the high Chinese guest will be crowned with success and will open up a new page in the relations between the USSR and the PRC.

I propose a toast.

To good-neighborliness, cooperation, and friendship between the peoples of the Soviet Union and the People's Republic of China!

To the health of Comrade Jiang Zemin and of all Chinese comrades!

Jiang, Gorbachev Hold More Talks

*OW1605130991 Beijing XINHUA in English
1258 GMT 16 May 91*

[Text] Moscow, May 16 (XINHUA)—Chinese Communist Party leader Jiang Zemin and Soviet President Mikhail Gorbachev held their second round of talks this morning in the Kremlin on bilateral relations and major world issues.

During the talks, Jiang, who arrived here Wednesday for a five-day official visit to the Soviet Union, said that the Sino-Soviet relations have stood the test despite the changing and volatile world situation, a Chinese Foreign Ministry official said.

Practice proves that the establishment of good-neighborly and friendly relations based on the five principles of peaceful coexistence is the best choice for China and the Soviet Union and the people of the two countries, Jiang stressed.

"The purpose of my current visit here is to further develop the relations of good-neighborliness, friendship, mutual benefit, cooperation and long-term stability with the Soviet Union," he said.

Gorbachev, on his part, said that the development of the Soviet-Chinese relations conforms to the fundamental interests of the people of the two countries, and draws attention worldwide.

"The Soviet side is ready to further strengthen cooperation in all fields with China and, in our view, no hurdle exists in this respect," Gorbachev said. "There are great potentials and good prospects for the advancement of the Soviet-Chinese relations," he added.

During the talks, the two leaders also exchanged views on the world situation and major international issues, the official said.

Talks Called 'Excellent'

*OW1605141891 Beijing XINHUA in English
1402 GMT 16 May 91*

["Jiang, Gorbachev Hold Second Round of Talks (Update)"]—XINHUA headline]

[Text] Moscow, May 16 (XINHUA)—Visiting Chinese Communist Party General Secretary Jiang Zemin held second round of talks with his Soviet counterpart Mikhail Gorbachev in the Kremlin this morning.

According to a Chinese Foreign Ministry official, Gorbachev expressed once again his warm welcome to Jiang, saying that the Soviet side was satisfied with the excellent talks they held Wednesday.

Jiang expressed his thanks to the Soviet president for the warm welcome and hospitality.

He agreed with Gorbachev that they had excellent talks Wednesday. It was a frank talk, he added.

On bilateral ties, Jiang attributed the sound and steady development of Sino-Soviet relations to the summit meeting between Deng Xiaoping and Gorbachev in May 1989, which led to normalized ties between the two nations by "ending the past and opening up the future."

Since then, Jiang said, the Sino-Soviet relations have stood the test despite the changing and volatile world situation.

Practice proves that the good-neighborly and friendly relationship based on the five principles of peaceful coexistence is the best choice for the two nations and the two peoples, Jiang added.

"The purpose of my current visit here is to further develop the relationship of good-neighborliness, friendship, mutual benefit, cooperation and long-term stability with the Soviet Union," he said.

At present, cooperation and exchanges between the two countries are further advancing in all fields, the general secretary said.

Facts have proved that it is important for the leaders of the two nations to maintain constant contact and exchange views in the face of the current complicated world situation, Jiang added.

He said that it is a big event that the two countries signed an agreement on the eastern section of the Sino-Soviet border.

Jiang hoped the two sides will speed up the negotiations on the unsolved section in the spirit of the joint communique signed two years ago so as to solve the border issues in an all-round way.

On reducing the military strength along the Sino-Soviet border, Jiang hoped that the experts of the two nations could reach an agreement satisfactory to both sides as early as possible through friendly consultations.

During the talks, Gorbachev said the advancement of the Soviet-Chinese relations conforms to the fundamental interests of the two peoples, and draws attention world-wide.

"The Soviet side is ready to further strengthen cooperation in all fields with China and, in our view, no hurdle exists in this respect," Gorbachev said. "There are great potentials and good prospects for the advancement of the Soviet-Chinese relations," he added.

The two leaders also exchanged views on other major international issues.

During their talks, Jiang conveyed to Gorbachev and other Soviet leaders cordial greetings from Deng Xiaoping, President Yang Shangkun and Premier Li Peng and invited them to visit China.

Gorbachev accepted the invitation with pleasure.

Border Agreement Signed

*OW1605114891 Beijing XINHUA in English
1137 GMT 16 May 91*

[Text] Moscow, May 16 (XINHUA)—China and the Soviet Union today signed an agreement on the eastern section of the border between the two countries.

Visiting Chinese Communist Party General Secretary Jiang Zemin and Soviet President Mikhail Gorbachev attended the signing ceremony in the Kremlin.

Chinese Foreign Minister Qian Qichen and his Soviet counterpart Aleksandr Bessmertnykh signed the agreement on behalf of their respective governments.

Also present were Soviet Vice-President Gennadiy Yanayev, Deputy General Secretary of the Soviet Communist Party Vladimir Ivashko and Defense Minister Dmitriy Yazov.

Chinese Defense Minister Qin Jiwei and other senior Chinese officials were also on the occasion. [sentence as received]

During the past two years, China and the Soviet Union, which share a border line of more than 7,000 kilometers, have conducted positive negotiations on the boundary question left by history in accordance with the joint communique reached at the Beijing summit two years ago.

Signing Ceremony Held

*OW1605141291 Beijing XINHUA Domestic Service
in Chinese 1309 GMT 16 May 91*

[By reporter Sheng Shiliang (4141 0013 5328)]

[Text] Moscow, 16 May (XINHUA)—An agreement on the eastern section of the Sino-Soviet border was signed at the Kremlin here at noon today.

Chinese Foreign Minister Qian Qichen and Soviet Foreign Minister Bessmertnykh signed the agreement on behalf of their respective governments.

Attending the signing ceremony on the Chinese side were Jiang Zemin, general secretary of the CPC Central Committee; Qin Jiwei, minister of national defense; Wen Jiabao, alternate member of the Secretariat of the CPC Central Committee; Zhu Liang, head of the International Liaison Department of the CPC Central Committee; and Li Lanqing, minister of Foreign Economic Relations and Trade.

Attending the signing ceremony on the Soviet side were Gorbachev, president of the Soviet Union; Yanayev, vice president of the Soviet Union; Ivashko, deputy general secretary of the CPSU Central Committee; and other high-ranking Soviet officials.

Jiang Meets Lukyanov

*OW1605162291 Beijing XINHUA in English
1505 GMT 17 May 91*

[Text] Moscow, May 16 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, met here this afternoon with Anatoliy Lukyanov, president of the Supreme Soviet of the Soviet Union.

Lukyanov, who visited China in September 1989 as head of a Soviet parliamentary delegation, told his Chinese guests that relations between the parliaments of the two countries have made progress over the past two years.

Present at the meeting were Chinese Defense Minister Qin Jiwei, Foreign Minister Qian Qichen, Foreign Economic Relations and Trade Minister Li Lanqing and Chinese Ambassador to the Soviet Union Yu Hongliang.

Also on hand were Soviet Deputy Foreign Minister Igor Rogachev, Soviet Ambassador to China Nikolay Solov'yev and other Soviet officials.

More On Lukyanov Meeting

*OW1605192491 Beijing XINHUA in English
1618 GMT 16 May 91*

[Text] Moscow, May, 16 (XINHUA)—Supreme Soviet President Anatoliy Lukyanov met with visiting Chinese Communist Party General Secretary Jiang Zemin here this afternoon.

Lukyanov told Jiang that the Supreme Soviet, the highest legislative body in the Soviet Union, attached great importance to Jiang's visit.

The Chinese party leader expressed his thanks for the cordial reception.

The two leaders reviewed the exchange of visits between the parliaments of the two nations since the normalization of bilateral relations, and in particular, Lukyanov's visit to China in September 1989 as the first deputy president of the Supreme Soviet.

The two sides believed that the exchange of visits between the two parliaments is of vital importance to increasing the mutual understanding and friendship between the two peoples and promoting the development of relations between the two countries. Such an exchange, they said, should be further advanced and enhanced in the future.

Jiang briefed Lukyanov on the constant improvement of Chinese systems of the National People's Congress and of multi-parties' cooperation and consultation under the leadership of the Chinese Communist Party.

He pointed out that these systems have played a great role in all the fields of China's political, economic and social lives and in the process of establishing and improving socialist democracy and legal system.

Lukyanov briefed Jiang on the work of the Supreme Soviet, saying that the majority in the Supreme Soviet supports the development of friendly and cooperative relations between the Soviet Union and China.

He said Jiang's talks with the Soviet leaders in the past two days, the joint communique now under discussion and the agreement on the eastern section of Sino-Soviet border signed this morning will be warmly welcomed by the deputies of the Supreme Soviet.

On the bilateral relations, Jiang said that the Chinese and Soviet peoples have traditional friendship, and as a neighbor of the Soviet Union, China follows with keen interest in the situation in the Soviet Union.

He said that the Chinese people sincerely hope the Soviet Union would maintain stability and win success in reform and wish its people a happy life.

Jiang Zemin also conveyed to him cordial regards from Chinese President Yang Shangkun and Chairman of the National People's Congress Wan Li.

Meets Soviet Prime Minister

OW1605190491 Beijing XINHUA in English
1626 GMT 16 May 91

[Text] Moscow, May 16 (XINHUA)—Soviet Prime Minister Valentin Pavlov met with visiting Chinese party leader Jiang Zemin in his office this afternoon.

Jiang said he was happy to meet the Soviet prime minister and conveyed greetings from Chinese Premier Li Peng.

Pavlov told Jiang that his visit "touched off nationwide sentiments in promoting Soviet-Chinese relations."

"The Soviet people have great interests in China's successful combination of market mechanism with state administration, especially in China's dealing with the question of ownership," Pavlov said.

Jiang said China will carry on its reform and open policy and keep a sustained, stable and coordinative development of the national economy.

He stressed that China will build a socialist economic system with Chinese characteristics that combines state planning with adjustment of the market.

However, Jiang said, reform should be in accordance with the different situation of various countries.

Pavlov Raises Trade Issue

OW1605190691 Beijing XINHUA in English
1714 GMT 16 May 91

[Text] Moscow, May 16 (XINHUA)—Soviet Prime Minister Valentin Pavlov met with visiting Chinese Communist Party leader Jiang Zemin in his office this afternoon.

Jiang said he was happy to meet the Soviet prime minister and conveyed greetings from Chinese Premier Li Peng.

Pavlov told Jiang that his visit "touched off nationwide sentiments in promoting Soviet-Chinese relations."

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He stressed that China will build a socialist economic system with Chinese characteristics that combines state planning with adjustment of the market.

However, Jiang said, reform should be in accordance with the different situation of various countries.

The Soviet prime minister pointed out that the total volume of trade between the two countries reached a record level in 1990. However, he said, the volume is still very low as calculated in per capita.

He said there are great potentials for the two nations to develop trade and the two sides have every reason to further push forward the bilateral trade ties.

Jiang Zemin said that China maintains a positive attitude towards the development of bilateral economic and

trade relations and hopes that through joint efforts, the potentials would be brought into full play.

Jiang arrived here Wednesday on a five-day official visit to the Soviet Union.

Jiang Greets Old Friends

*OW1605195391 Beijing XINHUA in English
1839 GMT 16 May 91*

[Text] Moscow, May 16 (XINHUA)—Chinese Communist Party leader Jiang Zemin spent one and half hours here this afternoon chatting and singing Chinese and Russian songs with his old friends coming from different parts of the country.

Jiang, general secretary of the Chinese Communist Party Central Committee, chatted cordially in the Chinese Embassy here with 17 workmates from the Ivan Lihachov automobile plant, where he studied and worked during the mid-1950s.

He also presented them with copies of a Soviet technical book he translated into Chinese 30 years ago and was published recently.

Later, Jiang attended a reception in honour of 400 Soviet activists in promoting Sino-Soviet friendship and veteran soldiers and experts who helped the Chinese people in their revolutionary struggles and economic construction.

He praised them for their efforts in helping normalize the Sino-Soviet relations.

He described his current official visit to the Soviet Union a revisit to a familiar place.

Comparing what he has seen in the last two days with his memories of the Soviet Union in the 1950s, Jiang noted that tremendous changes have taken place in different aspects in this vast country.

He reaffirmed his confidence that the Soviet people have sufficient wisdom and ability to address the problems confronting them.

Dines With Former Co-Workers

*OW1705024591 Beijing XINHUA Domestic Service
in Chinese 2350 GMT 16 May 91*

[By reporter Zhu Chengjun (4555 2110 6511)]

[Text] Moscow, 16 May (XINHUA)—At the Chinese Embassy in Moscow this afternoon, Jiang Zemin, general secretary of the CPC Central Committee, met cordially with activists of the Soviet-Chinese Friendship Society and friendly people from other circles in the Soviet Union.

Today is a clear one with a spring breeze. The flowers in front of the main building of the Chinese Embassy situated on Lenin Hill are in full bloom. In front of the embassy, a new asphalt road, repaired and paved day

and night by Soviet workers, is neat, smooth, and clean. Zhu Liang, head of the International Liaison Department of the CPC Central Committee, and other comrades welcomed guests at the gateway.

At 1700 [local time], General Secretary Jiang Zemin met first with his old friends who were representatives of the Lihachov Automobile Plant in Moscow, where he studied and worked during the mid-1950's, and some of their family members. Jiang Zemin shook hands with them one after another and asked them, in Russian, about their present life and work. Meeting again after 35 years, they were delighted. Recalling the old sentiments of former days, they felt the old days were just like yesterday. Jiang Zemin presented copies of the "Rational Use of Electricity at Machine-Building Plants"—a book written by Soviet expert (?Trykhov), translated by Jiang from Russian into Chinese more than 30 years ago and whose title page bears Jiang's signature—to (?Chiliyev), an engineer, and (?Hilov), who was in charge of Chinese trainees at the auto plant at that time. Jiang Zemin also presented memento gifts to all old friends and their family members present on the occasion. Jiang Zemin chatted with them in Russian throughout the meeting which lasted nearly half an hour.

Then, General Secretary Jiang Zemin invited his old friends to walk into the banquet hall with him, where he met with other guests from all walks of life in the Soviet Union. Among the hundreds of guests were Kuptsov, secretary of the CPSU Central Committee; Tereshkova, chairman of the Union for Soviet Societies for Friendship and Cultural Relations with Foreign Countries; Vice Foreign Minister Rogachev; and Air Force Marshal (?Kuoridubu), who has won the "Soviet Hero" title three times.

Jiang Zemin spoke. He expressed his heartfelt thanks to the guests for their presence. He praised the Soviet-Chinese Friendship Society and its activists for their efforts to promote friendship between the Soviet and Chinese peoples in the past dozens of years, and called them the pioneers of the normalization of Sino-Soviet relations. He said: Today we meet happily together here. Among the guests are representatives of Soviet veteran fighters and old experts. They contributed their youth and wisdom to the Chinese people's cause of revolution and construction. He said he came to the Soviet Union this time not only to pay a formal visit but also to revisit a once familiar place.

General Secretary Jiang Zemin said that compared with the 1950's when he studied and worked in the Soviet Union, today's Soviet Union shows that tremendous changes have taken place in all its aspects. He said though the Soviet Union is now having temporary difficulties, the Soviet people, who have the glorious tradition of the October Revolution, will certainly have sufficient wisdom and ability to solve the questions facing them.

In his responding speech, Kuptsov deeply praised the friendly relations between the Soviet Union and China,

and between the Soviet and Chinese peoples. He said: The Soviet people regard Jiang Zemin's visit, and the talks and meetings between the two sides in the past few days as a natural continuation of Gorbachev's visit to China in 1989.

At the banquet, Jiang Zemin, speaking Russian, talked about old days with (?Alhibov), chief adviser to the Soviet-Chinese economic cooperation in the 1950's, and (?Qihavinsky), chairman of the Soviet-Chinese Friendship Society, both of whom speak Chinese. Jiang Zemin also went to each dining table to say hello and propose a toast to the guests.

The dining hall was permeated with soaring sentiments. General Secretary Jiang Zemin conducted all people in singing in unison "In That Distant Place," "The Night at the Sea Port," and "Along the High Mountain, Along the Plain" in Russian, and "Chanting the Motherland" and other songs in Chinese.

Personnel accompanying General Secretary Jiang Zemin and Chinese Ambassador to the Soviet Union Yu Hongliang also attended today's meeting which was filled with a cordial and friendly atmosphere from beginning to end.

Visits Chinese Embassy

OW1705084691 Beijing XINHUA Domestic Service
in Chinese 2151 GMT 16 May 91

[Text] Moscow, 16 May (XINHUA)—Jiang Zemin, general secretary of the CPC Central Committee visiting the Soviet Union, cordially called on Chinese Embassy staff members, personnel of other Chinese organizations, and representatives of Chinese students in the Soviet Union on 16 May.

The trees and meadow are green in the embassy yard, and spring is very much in the air. The arrival of the general secretary has added a festive atmosphere to the embassy compound. At about 1900 hours [local time], Jiang Zemin and his entourage met the crowd waiting in the large hall in the embassy building.

Amid warm applause, Comrade Jiang Zemin and his entourage happily joined the crowd in having a group photo taken to mark the occasion. Then, Jiang Zemin delivered an impromptu speech.

Comrade Jiang Zemin said: Our country has an abundance of natural resources. With only 7 percent of the world's cultivated land, China feeds 22 percent of the world's population and makes a great contribution to the world in this regard. However, we must understand that only when our political situation is stable and unified can we develop our economy, have people live and work in peace and contentment, and make our country prosperous. He encouraged Chinese personnel in the Soviet Union to work hard and told students to study well, so as to make our country rich and strong and make the motherland even better.

General Secretary Jiang Zemin's speech ended amid warm applause. Speaking on behalf of the embassy staff, personnel of other Chinese organizations and Chinese students in the Soviet Union, Ambassador Yu Hongliang said: "We are determined to do good work and study well."

Paper Notes Strong State Ties

HK1705045591 Hong Kong TA KUNG PAO
in Chinese 17 May 91 p 1

["Special dispatch": "Observers View Jiang Zemin's USSR Visit as Stressing Establishment of Good-Nearby Relations Between Two Countries"]

[Text] Beijing, 16 May (TA KUNG PAO)—Jiang Zemin, general secretary of the CPC and chairman of the PRC Central Military Commission, began his trip to the Soviet Union on 15 May—a trip watched by the whole world. At the invitation of Gorbachev, Soviet president and general secretary of the CPSU, he departed for a five-day official visit to the Soviet Union. His trip to the Soviet Union this time is a reciprocal visit for Gorbachev's trip to China in May 1989. That trip realized normalization of Sino-Soviet relations.

Both China and the Soviet Union are big socialist countries led by communist parties. Jiang Zemin and Gorbachev are heads of the CPC and the CPSU respectively. However, observers here notice that when the Chinese side publicizes the significance of Jiang Zemin's visit to the Soviet Union, it first stresses state relations.

It is a well-known fact that Jiang Zemin is the core of China's third-generation leaders, overseeing party affairs. Observers notice that during his visit to the Soviet Union this time, apart from using the usual title of "general secretary of the CPC," the rarely reported title of "chairman of the PRC Central Military Commission" is also used. This indicates that the Chinese side intends to emphasize that the importance of Jiang Zemin's visit to the Soviet Union is the further strengthening of relations between the two countries.

Jiang Zemin departed for Moscow on the morning of 15 May.

Observers here notice that when Jiang Zemin mentioned the purpose of his trip to the Soviet Union at the press conference held at Beijing Airport, he said: "It is necessary to continue to develop good-neighboring relations between China and the Soviet Union on the premise of the five principles of peaceful coexistence." It is a well-known fact that China has always wanted to develop friendly and cooperative relations with various countries using the five principles of peaceful coexistence, and that the CPC has wanted to develop ties with the parties in other countries using the four principles of inter-party relations. Observers think that Jiang Zemin mentioned only the five principles of peaceful coexistence but not the four principles of inter-party relations at the press conference not from negligence,

but to stress that the key point of his visit to the Soviet Union this time is to further develop the relations between the two countries.

When Jiang Zemin arrived in Moscow, his speech indicated this point more clearly. He said: "The purpose of my visit is to continue to promote the process of normalization of relations between the two countries and the two parties." Here, Jiang Zemin explicitly put state relations before party relations. Thereafter, Jiang Zemin explained the significance of and the good prospects for strengthening state relations between China and the Soviet Union. He pointed out: "China and the Soviet Union are neighbors sharing a border of more than 7,000 km, the traditional friendship between the peoples of both countries dates back a long time, and there are good prospects for the stable and healthy development of relations between the two countries. The neighborly, friendly, reciprocal, and cooperative relations between China and the Soviet Union built on the basis of the five principles of peaceful coexistence are not only in accordance with the interests of the peoples in the two countries, but also conducive to stability and peace in Asia and the world."

In terms of Sino-Soviet relations, state relations and party relations are inseparable. However, the Chinese side stresses state relations, and this is noteworthy.

Gorbachev Grapples With Domestic Problems

Economic Reform Discussed

OW1605074391 Beijing XINHUA in English
0543 GMT 16 May 91

[Text] Moscow, May 15 (XINHUA)—President Mikhail Gorbachev presided over an enlarged cabinet meeting here today to discuss a draft program on joint actions by the cabinet and the republic governments to get rid of the economic crisis.

Deputy Prime Minister Vladimir Scherbakov said in a report at the meeting that the drafting work has been going on smoothly since a joint statement on stabilizing the domestic situation was signed by Gorbachev and nine republic leaders on April 23. Participants in the meeting expected the drafting to be completed in a couple of days.

TASS quoted Scherbakov as saying that the Soviet Union will firmly transfer to a market economy, expand the denationalization of ownership, absorb foreign capital and cut down state expenses.

The meeting predicted that the country will restore its production to the 1989 level by mid-1992.

Decrees 'Urgent Measures'

OW1705040691 Beijing XINHUA in English
0023 GMT 17 May 91

[Text] Moscow, May 16 (XINHUA)—Soviet President Mikhail Gorbachev today took urgent measures to ensure stable work of the key sectors of the economy, including energy, coal, oil and gas, chemical and petrochemical industries, metallurgy and railways.

Gorbachev warned in a decree that the national economy is in a critical state, the national "income has dwindled by 10 per cent and the disruption of economic ties threatens a stoppage of thousands of enterprises, which will have to lay off millions of people.

The president ordered the USSR Cabinet of Ministers and the governments of Soviet republics to give top priority to ensuring economic conditions and labour and production incentives for key sectors in the current year, according to a report by the Soviet news agency TASS.

The ministries of the key sectors are obliged to ensure the unconditional fulfillment of decisions concerning a considerable growth of pay to workers in these sectors in line with the results of their labour, Gorbachev said.

The president established that persons disorganizing production or violating public order on the premises of enterprises could face administrative prosecution under the law.

Northeast Asia

Premier Li Meets Japanese Business Delegation

OW1605153891 Beijing XINHUA in English
1257 GMT 16 May 91

[Text] Beijing, May 16 (XINHUA)—Chinese Premier Li Peng met with Morohashi Shinroku, president of the Mitsubishi Corporation of Japan, and his party here today.

Li said that China and the Mitsubishi Group have maintained close economic and technological co-operation in many areas including the petrochemical industry, power production and transportation. "We are satisfied with our past co-operation," said Li.

The Chinese premier noted that the Japanese group recently took the lead by announcing its decision to provide China with loans to be used to open oil fields in the Turpan Basin in northwest China's Xinjiang Uygur Autonomous Region.

This demonstrates the group's active attitude in regards to further expanding co-operation with China, Li said adding that China appreciates the attitude.

"The petrochemical industry is a focus of China's economic development for the next decade, and we will continue to devote major efforts to developing our oil industry in line with the strategy of 'stabilizing the East and opening up the West'," Li said.

Li said oil provides not only energy, but also raw materials for the chemical industry, and plays an extremely important role in China's national economic development.

"In this area, we welcome the Mitsubishi Group and other Japanese enterprises to provide funding and to enter into technological co-operation with China. In particular, we welcome loans with favorable terms, and we plan to repay them with oil."

Li noted that as the situation in China's foreign currency reserves has improved China plans to earmark a certain amount of funding, including foreign currency, to support the oil exploration and opening new oil fields.

This might become a model to be used when China undertakes oil exploration co-operation with foreign enterprises in the future, Li added.

During the meeting, Shinroku said the Mitsubishi Group has advantages in the area of land oil exploration, and that it is beneficial for both sides to strengthen co-operation in this area.

Shinroku said that the Mitsubishi Group is willing to explore ways to provide funding and expand technological co-operation in a bid to expand ties with China.

Sino-Japanese Media Cooperation Agreement Signed
OW1705040491 Beijing XINHUA in English
0227 GMT 17 May 91

[Text] Beijing, May 17 (XINHUA)—An agreement on cooperation between the China Media Development Inc. and the Asatsu Inc., a noted Japanese advertising corporation, was signed here today.

Under the document, the two sides will cooperate in the fields of press, cultural exchanges, advertising and public relations on the basis of friendly cooperation, equality and mutual benefit.

Earlier today, Guo Chaoren, vice-president of the XINHUA NEWS AGENCY, met with Masao Inagaki, chairman of the Asatsu Inc.

Southeast Asia & Pacific

Naval Forces To Step Up Exercises in Spratlys
HK1705112791 Hong Kong AFP in English
1114 GMT 17 MAY 91

[Text] Beijing, May 17 (AFP)—Chinese naval forces stationed in the South China Sea are to step up actual combat drills around the disputed Spratly islands, according to an official newspaper.

The newspaper, China Youth News, said the decision to increase military exercises in the Spratlys—or Nansha islands in Chinese—was taken at a meeting of the command of a submarine unit in the South China Sea fleet.

"The situation in Nansha is getting more serious and the scramble for oil resources after the Gulf war has accentuated this new situation," the paper said in a one-paragraph report seen here Friday.

It did not say what had caused the worsening situation in the sprawling atoll, which is claimed in whole or in part by China, Vietnam, the Philippines, Taiwan and Malaysia and believed to be rich in oil and natural gas reserves.

The meeting, held to discuss the ramifications of the Gulf war, decided to "strengthen actual combat drills," firmly implement what it called "training for war thought" and improve the quality of marines, the paper said.

It said logistics should be strengthened, while the "entire fleet's ability to quickly meet any emergency" should be improved.

"Based on the present equipment, full play should be given to each individual vessel's fighting capability and coordination within the fleet," the paper added.

Chinese naval forces seized several of the Spratly islands from Vietnam in a brief clash in 1988 and have since expanded their military occupation to include several small atolls.

The Spratlys are strategically important because they straddle vital sea lanes from the Indian Ocean.

Wu Xueqian Meets Australia's Whitlam
OW1705113491 Beijing XINHUA in English
0954 GMT 17 May 91

[Text] Beijing, May 17 (XINHUA)—Chinese Vice-Premier Wu Xueqian met here today with a delegation from the Australia-China Council led by E.G. Whitlam, chairman of the council and former Australian prime minister.

In the meeting, Wu said China and Australia have no conflicts of fundamental interests and there are good prospects for their friendly cooperation in many fields.

Wu voiced appreciation for Whitlam's efforts to develop the friendship between people of the two countries over the years, calling him "an old friend of the Chinese people."

Australia forged formal diplomatic relations with China shortly after Whitlam became prime minister in 1972. Since he assumed the chairmanship of the Australia-China Council in 1986, Whitlam had visited China on four occasions.

He is now on his fifth visit to China as guest of the Chinese People's Association for Friendship With Foreign Countries.

UN Mission Ends Cease-Fire Review in Cambodia*OW1705103491 Beijing XINHUA in English
0936 GMT 17 May 91*

[Text] Bangkok, May 17 (XINHUA)—A four-member United Nations team headed by Timothy Dinuama, military advisor to the U.N. Secretary-General Perez de Cuellar, arrived here today from Phnom Penh, winding up its week-long ceasefire review in Cambodia.

Talking to reporters at Bangkok International Airport on their arrival, Dinuama said during their trip to Cambodia, the team visited military areas of the four Cambodian warring factions and had discussions with officials of the four factions.

"All Cambodian factions have good intentions of implementing the temporary ceasefire," he said.

On the team's assessment of the ground situation in Cambodia, he said that initially there were some ceasefire violations in Cambodia, but now the "temporary ceasefire is obviously to be holding in that country."

In conformity with the April 22 ceasefire appeal made by de Cuellar and France and Indonesia, the four Cambodian factions have agreed to observe a temporary ceasefire in the country since May 1.

On his arrival here from New York on May 11, Dinuama said that to observe ceasefire needs the good-will of all Cambodian factions, and the positive results of the voluntary ceasefire in Cambodia would be helpful to the next Jakarta meeting on Cambodia.

Dinuama said he will report to the secretary-general about the team's assessment of the Cambodian truce.

The U.N. mission will leave here for New York on Saturday.

Near East & South Asia**Party Official Meets Bangladesh Visitors***OW1605122391 Beijing XINHUA in English
1123 GMT 16 May 91*

[Text] Beijing, May 16 (XINHUA)—Hu Sheng, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference [CPPCC], met with and hosted a dinner for a delegation from the Bangladesh-China Institute led by its Chairman Nurul Huda Mirza here this evening.

Pakistani Efforts To Resolve Afghan Issue Noted*OW1705113291 Beijing XINHUA in English
0919 GMT 17 May 91*

[Text] Islamabad, May 17 (XINHUA)—Fresh diplomatic efforts are afoot to find a peaceful and political solution to the Afghanistan problem with Pakistan playing a pivotal role.

Efforts involve all the parties which have been "overtly or covertly" associated over the past several years to reach a negotiated settlement of the Afghanistan crisis, according to Foreign Office sources.

Pakistan Foreign Secretary General Akram Zaki is scheduled to leave for Saudi Arabia today to confer with the Saudi Government on the Afghanistan issue.

Pakistan's consultations with Saudi Arabia are a part of the diplomatic initiative Pakistan has taken recently for a political solution of the Afghanistan issue.

Zaki will proceed to Tehran to hold talks with Iranian officials aimed at exchanging the latest perceptions about how to put a peaceful end to the bloody conflict in Afghanistan.

A senior official of the Pakistan Foreign Office will also visit Moscow during the last week of this month to initiate direct negotiations with the Soviet Union on a political solution of the Afghanistan issue, the sources said.

Moscow has not only expressed its willingness for a political settlement of the Afghanistan issue, but also indicated that it would be ready for talks with the Pakistani Government in this regard.

Meanwhile, the United States special envoy for Afghan resistance, Peter Tomsen, is due in Islamabad today to continue talks with the Pakistan authorities on the subject.

Benon Sevan, U.N. secretary general's personal representative on Afghanistan, is already in the city after his talks with some Peshawar-based Afghan Mujahidin leaders, the sources said.

Sub-Saharan Africa**Vice Foreign Minister Yang Ends African Trip***OW1605121591 Beijing XINHUA Domestic Service
in Chinese 0657 GMT 14 May 91*

[Text] Rabat, 13 May (XINHUA)—China's Vice Foreign Minister Yang Fuchang left Casablanca for home today, ending his four-day official visit to Morocco.

During his visit, Vice Foreign Minister Yang Fuchang respectively held talks with the Minister of Foreign Affairs and Cooperation Filali and the Secretary of State for Foreign Affairs and Cooperation Cherkaoui on international topics, especially the Palestinian issues. Their viewpoints were basically the same.

Prior to his arrival here, Vice Foreign Minister Yang Fuchang successively visited Sudan, Libya, and Mauritania.

Gabonese President Arrives in Beijing*OW1705035791 Beijing XINHUA in English
0223 GMT 17 May 91*

[Text] Beijing, May 17 (XINHUA)—President El Hadj Omar Bongo of the Gabon Republic arrived here this

morning by plane on a four-day state visit to China at the invitation of Chinese President Yang Shangkun.

This is Bongo's seventh visit to China since the two countries established diplomatic relations in 1974.

Reliable sources said that the Gabon president will meet with Yang Shangkun and hold talks with Premier Li Peng while in Beijing.

Bongo and his entourage are scheduled to visit Dalian, a northeast China port city.

The Gabon president and his wife were greeted at the airport today by Ruan Chongwu, chairman of the Chinese Government reception committee and minister of labor, and his wife; Chinese Vice-Foreign Minister Yang Fuchang, Chinese Ambassador to Gabon An Fengshi, Gabon Ambassador to China Legnongo-Ndumba Benjamin, and envoys of other African countries to China.

West Europe

PRC Economic Delegation Ends Visit to Germany

OW1705040591 Beijing XINHUA in English
0314 GMT 17 May 91

[Text] Bonn, May 16 (XINHUA)—A Chinese economic delegation headed by Sheng Shuren, vice minister of the

State Planning Commission, left here for home after attending the annual Sino-German symposium on economic management and development.

At the symposium, Chinese and German experts on economic policies experts briefed each other on the present economic situation and future policies in their respective countries.

The Chinese delegation explained that China will continue its policy of opening to the outside world and its economic policies of establishing a socialist planned commodity economy based on public ownership and combining planned economy and market modulation.

The German delegation, headed by Von Wuerzen, secretary of state of economics, briefed Chinese experts on the economic difficulties in the eastern part of the country since unification and on the measures for overcoming these difficulties.

It is disclosed that both Chinese and German experts expressed satisfaction with the proceedings of the symposium. The two sides decided to hold their next symposium in Beijing in 1992.

Sheng Shuren and his party arrived Germany on May 6. They also visited some companies and economic institutions in Berlin and Munich.

Political & Social

Reform Seen As Aim of Recent Promotions

HK1605151991 Hong Kong TANGTAI in Chinese
No 2, 15 May 91 pp 17-18

[Article by Chi Ta (1323 6671): "Central Document Explains Why Zou Jiahua, Zhu Rongji Promoted; Plans for Launching New Round of Reform"]

[Text] According to sources close to Beijing top leadership, the top-level State Council personnel changes and selection of Guangdong Governor Ye Xuanping as vice chairman of the Chinese People's Political Consultative Conference [CPPCC] by the CPC at the current National People's Congress [NPC] were both decisions orchestrated by Deng Xiaoping after careful consideration. It is estimated that there will be more major changes made by Deng within the next year or two.

Deng Xiaoping is Worried That Workers Will Stir up a New Round of Turmoil

Informed sources from Beijing disclosed that Deng Xiaoping called Bo Yibo earlier this year, and expressed his worries about the following: First, deterioration of the economy is continuing; and second, there is a possibility of a new round of turmoil, which is likely to break out from among the ranks of workers rather than being stirred up by students. In the current NPC reshuffle, Deng may have had the following intentions: First, Deng is said to have reservations over Li Peng's ability to handling economic affairs. He is particularly not happy with Li's intention of making use of economic improvement and rectification to suppress reform. Deng realized that the continuous decline in China's economy would lead to a new round of turmoil. As a result, he promoted Zou Jiahua and Zhu Rongji to the offices of vice premiers to upstage Li Peng. Zou will take overall responsibility of the state's economic and planning work while Zhu Rongji will be in charge of the comprehensive reform of the open coastal areas. Deng hopes that China will continue to follow his reform line of "exchanging political conservatism for economic openness." The performance of Zou and Zhu during the 4 June incident has proved that they have profoundly understood and properly implemented Deng's thinking. Second, Deng Xiaoping will encourage all other veterans to step down at the 14th CPC National Congress to be held next year so that they will not affect work of the CPC leadership of the third generation. The purpose of promoting Ye Xuanping to the office of CPPCC vice chairman is to take over Li Xiannian's position as chairman, and let him retire. This personnel arrangement is preparation made for the new personnel reshuffle at the upcoming 14th CPC National Congress.

To ensure that the personnel arrangements would be smoothly adopted by the NPC session, Deng Xiaoping, Yang Shangkun, and Li Xiannian interviewed Zhu Rongji in Shanghai during the spring festival. Deng also

made special arrangement for Zhu to meet and give an account of his work to Chen Yun.

Ye Xuanping's Appointment as Vice CPPCC Chairman Irritates Li Xiannian

CPPCC chairman Li Xiannian, who is now 83, was most annoyed by the NPC personnel reshuffle. He was not satisfied with Ye Xuanping's appointment as CPPCC vice chairman. He regarded this move as Deng Xiaoping's plan to force him to retire and disrupt his plan to let conservative Wang Renzhong to replace him. As a consequence, Li Xiannian intentionally stressed "class struggle" and "inner party unity" at the current CPPCC session. Li Xiannian is the most conservative of the CPC veterans. Li always disagreed with Deng Xiaoping's reform and open line and remained hostile to the reform leaders promoted by Deng in recent years. Besides his strong dissatisfaction with Zhao Ziyang, Li also tried his utmost to attack former United Front Department head Yan Mingfu. As a matter of fact, Li Xiannian's discontent with Deng proceeded from his selfish motives. When Deng offered Li Xiannian's office of state president to Yang Shangkun a few years ago, Li said indignantly: "What does he mean by making the ranks of leaders younger in average age? Yang Shangkun is a year older than me!"

Deng promoted Guangdong Governor Ye Xuanping to the office of CPPCC vice chairman after careful consideration. As the elder son of CPC founder Marshal Ye, Ye Xuanping has a deep background within the party and the army. For this reason, his promotion to CPPCC chairman in the future can be easily accepted by various sectors. Moreover, it will be convenient for him to coordinate work.

It is estimated that there will be more major changes at the top CPC levels in the next year or two. The current personnel shuffle has laid a foundation for personnel changes at the next step. By then, there will be a new breakthrough in China's economic reform.

The Purpose of Upstaging Li Peng Is to Detour the 4 June Incident

The current CPC personnel reshuffle can be considered an indication of Li Peng's upcoming downfall because the CPC is used to the political trickery of "mixing sand" when it intends to remove or weaken the powers of a leader. Before forcing Hua Guofeng down from office, Deng Xiaoping first promoted Zhao Ziyang and Wan Li to the office of vice premiers. Similarly today, Deng has promoted Zhu and Zou.

Nevertheless, Deng Xiaoping's current move is not an indication of his repentance for the 4 June incident. During his tour of Europe in April this year, Zhu Rongji said: "History will prove that the measures adopted by the Chinese government against the 4 June incident were correct." He continued: "If resolute measures were not adopted at that time, China's political, economic, and social stability would then be out of the question." These

remarks represent to a certain extent Deng's views on 4 June incident. The CPC now wants to detour rather than redress the 4 June incident. It has been reported that Chen Yun delivered an internal speech recently, believing that the domestic turmoil in the Soviet Union is favorable to China's current situation and that many basic level cadres have come to realize that the central authorities were compelled to take action on 4 June. So long as the CPC can develop China's economy and work for the benefit of the people, Chen Yun continued, I [as published] believe no one will blame the CPC for the 4 June incident after a couple of years.

Arrangements Made in the Inner CPC Central Committee Document to Introduce a New Round of Reform

The intention of the top level personnel reshuffle which include Zhu and Zou and the country's central task mentioned in the CPC Central Committee's document are now being relayed to a limited number of people. The main contents of the document focus on reform. The purpose of promoting Zhu and Zou is to strengthen the State Council's economic work in coordination with the Eighth Five-Year Plan. The central authorities called on the whole party to unite as one, speak along the same line, and vigorously promote the current reform. The document also disclosed that the central authorities plan to introduce political structural reform and make strenuous efforts to touch on price reform. Grassroots level cadres within the party who listened to the document have realized that Deng Xiaoping's reform forces have once again got the upper hand. They were also surprised at the quick adoption of the personnel reshuffle at the NPC session. Some of them said: "It is Deng Xiaoping's surprise attack." As in Hong Kong, the interior is also concerned about the candidate for replacing Li Peng, which might be Zou or Zhu. However, officials in the interior know that Zhu Rongji's influence is very limited because he has no political backing. Zou Jiahua, son-in-law of the late Marshal Ye, however, has military backing and is accepted by the political veterans. Now it seems that Zou's political strength is far beyond Zhu Rongji.

Identical in meaning with the CPC Central Committee document, the CPC's RENMIN RIBAO issued a May day editorial to make public opinion for the upcoming reform. The editorial said that sacrifice of partial interests is necessary to deepen reform. This may affect the interests of some people; these people may benefit less than or later than others or they may even have to make temporary and partial sacrifice. The authorities have called on the people to bear the "pain" of reform and vigorously plunge themselves into the great practice of reform and construction. The editorial also emphasized that relying on the staunch working class is an important guarantee for realizing the 10-year program and the Eighth Five-Year Plan. This reflects Deng's worries mentioned at the beginning of this article that the workers might stir up a new round of turmoil.

Chen Yun Said To Counterbalance Deng

HK1705030391 Hong Kong SOUTH CHINA MORNING POST in English 17 May 91 p 13

[Chris Yeung]

[Text] Patriarch leader Mr Chen Yun has made a rare appearance in Shanghai to receive an update on the development of the municipal city from key party and government officials.

The recent meeting was disclosed in a report of the New China News Agency (NCNA) from Shanghai yesterday, a departure from the usual practice of keeping sessions between Mr Chen and officials secret.

Mr Chen, chairman of the Communist Party Central Advisory Commission, is considered the second most powerful man in China, and by some, even more powerful than Mr Deng Xiaoping.

Mr Chen, also 86, is widely seen as the leader of the conservatives in Chinese politics.

In the NCNA report, it said Mr Chen had recently attended a briefing by top Shanghai party and government leaders on the progress of the city's reform and municipal development.

Vice-Premier Mr Zhu Rongji, Shanghai's party secretary Mr Wu Bangguo and mayor Mr Huang Ju also attended.

Mr Zhu was formerly mayor and party secretary of the city before being promoted to the central Government.

The report said Mr Chen had sent a banner written with a 15-worded phrase on how to "seek truth from facts", a catchphrase often associated with Mr Deng.

Mr Chen said policy makers should make a decision based on truth after exchanging views with others, making comparisons and considering the matter over a period of time.

A diplomatic source said the report clearly carried political implications given that calls for more liberal reforms championed by Mr Deng have increased since the closing of the National People's Congress plenum in April.

Shanghai officials and the propaganda machine have taken the lead in calling for "further liberation of thoughts" in the next stage of the reform drive in the 1990s.

Chinese sources said the calls of "further liberation of thoughts" originated from Mr Deng during a series of meetings with party and government officials in February.

A source said: "Mr Chen clearly wants to try to counterbalance the influence of Mr Deng by coming out to give a lecture in Shanghai. He wants to ensure the course of reform will not go too far."

The active moves of Mr Deng and Mr Chen countered other signs suggesting the old guard planned to delegate

power to the new leadership under the nucleus of party General Secretary Mr Jiang Zemin at the 14th party plenum next year.

State Council spokesman Mr Yuan Mu also confirmed in a Chinese newspaper yesterday that Mr Deng had recently given instructions to speed up development of high-technology because it was crucial to national economic development.

Mr Deng has also high hopes that Mr Zhu will play a significant role in rejuvenating the ailing economy.

According to a report of the China News Agency in Beijing, Mr Zhu has been given the portfolio of industry and communication in the State Council.

A diplomat said: "Mr Zhu has been vested with the most difficult task given the serious problems faced with the large and medium-size enterprise. The backward transport, facilities have also severely hampered industrial development."

Hears Work Reports on Shanghai

OW1605152691 Beijing XINHUA Domestic Service in Chinese 2017 GMT 15 May 91

[By reporter Chen Maodi (7115 3029 1717)]

[Text] Shanghai, 16 May (XINHUA)—Chen Yun, chairman of the CPC Central Advisory Commission, heard work reports relating to Shanghai's reform and opening to the outside world and urban development, presented respectively by Comrades Zhu Rongji, vice premier of the State Council; Wu Bangguo, secretary of the Shanghai Municipal Party Committee; and Huang Ju, mayor of the Shanghai Municipality, in Shanghai recently.

Comrade Chen Yun presented to Zhu Rongji, Wu Bangguo, and Huang Ju each with a hand-written vertically-hung scroll, which reads: "Don't follow only what the superiors or the book says, do things according to reality; and exchange experience and make comparison over and over."

Prior to that, Zhu Rongji, Huang Ju, Wu Bangguo, Chen Zhili, Ni Hongfu, Chen Guoliang, Fu Lijiao, Wang Dao-han, and other comrades called on Comrade Chen Yun. Chen Yun had a cordial talk with them.

Zou Jiahua Inspects Joint Venture Enterprise

OW1605141591 Beijing XINHUA Domestic Service in Chinese 0703 GMT 14 May 91

[By XINHUA reporter Zhang Cailong (1728 2088 7893)]

[Text] Guangzhou, 14 May (XINHUA)—During his recent inspection tour of Guangzhou Heng Lian Company, Limited, a Sino-U.S. joint venture enterprise, Zou Jiahua, vice premier of the State Council, pointed out that foreign-funded and Sino-foreign joint venture enterprises have good prospects for development in China.

Guangzhou Heng Lian Co. Ltd, a food production enterprise that started operation in 1986, is a joint venture by

several Guangdong Province enterprises, including the Lian He Food Enterprise Center, and the renowned Heinz Food Industry Group of the United States, which specializes in the production of infant supplementary nutritional food. Zou Jiahua inspected the enterprise on the evening of 9 May and listened to a report by Huang Xian, Chinese assistant general manager of the Guangzhou Heng Lian Co. Ltd.. After hearing the report, Zou Jiahua said that an enterprise not only needs to develop production, but it is even more important for it to have a sense of social responsibility and to be responsible to consumers in order to ensure growth prospects.

CPC Pays Last Respects to Shi Lin

OW1605052391 Beijing XINHUA Domestic Service in Chinese 0722 GMT 14 May 91

[Excerpt] Beijing, 14 May (XINHUA)—Comrade Shi Lin, a fine CPC member, long-tested staunch communist fighter, outstanding leader in foreign economic relations and trade, member of the Seventh National Committee of the Chinese People's Political Consultative Conference, vice minister of the Ministry of Economic Relations with Foreign Countries and deputy secretary of the leading party group of the ministry, and president of the China International Economic Cooperation Society, died of illness in Beijing on 13 April 1991 at the age of 72.

A ceremony was held at the auditorium of the Babaoshan Cemetery for Revolutionaries this afternoon to allow people to pay their last respects to Comrade Shi Lin's remains. Comrades Jiang Zemin, Li Xiannian, Tian Jiyun, Jiang Hua, Zhang Jingfu, Zhang Aiping, Geng Biao, Huang Hua, Ji Pengfei, Peng Chong, Ye Fei, Chen Muhua, Wang Hanbin, Qian Qichen, Wang Renzhong, Hong Xuezhai, Fang Yi, Gu Mu, Yang Jingren, Lu Jiaxi, and Qian Zhengying sent wreaths to the ceremony. Tian Jiyun, Chen Muhua, and responsible persons of relevant departments, as well as friends of the deceased, attended the ceremony. [passage omitted]

Yunnan Confirms Prison Camp Exports

HK1605025091 Kunming YUNNAN NIANJIAN 1986 in Chinese Dec 86 p 112

[Section by Liang Ji (2733 3444) entitled: "Reform-Through-Labor and Education-Through-Labor Units Improve Economic Performances" under heading "Judicial Organs"]

[Text] In 1985, the reform-through-labor and education-through-labor units throughout the province, in line with the characteristics of their work, readjusted the industrial composition, introduced advanced technology, explored new production possibilities, strengthened horizontal ties, improved management, laid stress on improving product quality, and improved services in accordance with the principles of reform, opening, and invigorating the economy. As a result, they succeeded in increasing the vitality and competitiveness of the enterprises. The gross industrial and agricultural output value

for 1985 totaled 254.06 million yuan, an increase of 14.9 percent over 1984, with realized profit hitting 42 million yuan, a 49.7 percent increase over 1984. The units engaged in agricultural production produced 42.66 million jin of grain; 1.78 million jin of tea; 158,000 tonnes of sugar cane; and 9.02 million jin of fruit. They also engaged in production of aquatic products, rubber, medicinal materials, livestock products, and other sideline products and processed agricultural and sideline products. The units engaged in industrial production produced 3.5723 million tonnes of raw coal; 31,300 tonnes of pig iron; 842 automobiles; 50,056 small diesel engines; 115,300 tonnes of phosphate fertilizer; 1.13 million iron woks; and other light industrial products. Through more than 30 years of hard work, the reform-through-labor and education-through-labor units in Yunnan have built up economic forces to a certain extent. In 1985, the raw coal produced accounted for 22.7 percent of total raw coal produced in the province; phosphate fertilizer was 12.2 percent; internal-combustion engines 89 percent (in terms of 10,000 horsepower); and iron woks 53 percent. All these products served to readjust the market supply, thereby contributing to the four modernizations.

The reform-through-labor and education-through-labor units throughout the province worked hard to produce new products on a trial basis and to produce high quality products. By 1985, they had produced over 100 industrial and agricultural products. Of these, "Golden Horse [jin ma 6855 7456]" brand X195 diesel engines and "Clouded Mountain [yun feng 0061 1496]" brand 3WB-16 sprayers [pen wu qi 0899 7212 0892 received national-level silver prizes; "Water Chestnut [ling 5480]" brand calcium magnesium phosphate fertilizer, "Kunming" brand 1.2 cubic meter side dump pit cars, "Golden Horse" brand soy sauce, "Chinese Tea [zhong cha 0022 5420]" brand No. 2 red tea, and nine other products received provincial or ministry level prizes. The "Golden Horse" X195 diesel engines sell well inside and outside the province and are on sale in 13 foreign countries and regions.

Guangxi Reports Exports From Labor Camps

HK0805134091 Nanning GUANGXI NIANJIAN 1987
in Chinese Oct 87 pp 258-259

[Section entitled "Reform-Through-Labor Work" under heading "Judicial Administration"]

[Text] Since its founding in 1951, the reform-through-labor [lao gai 0525 2395] organ of Guangxi Region has pursued the principle of "integrating punishment with ideological transformation [si xian gai zao 1835 1927 2395 6644] and integrating production with political education" as well as the principle for the reform-through-labor work that attaches "first priority to transformation [gai zao 2395 6644] and second priority to production." Remarkable success has been achieved in this regard. 1) A good job has been done in reforming a large number of counterrevolutionaries and

criminal offenders. Released after having served their sentences, the vast majority of these people have become self-supporting law-abiding citizens, and some of them even have been elected model workers, village heads, or plant directors. Only extremely few people refuse to mend their ways and continue committing crimes. 2) Sizable reform-through-labor facilities have been set up, including 35 medium-sized and small farms and 28 industrial and mining enterprises, which have served as Guangxi Region's bases for the production of tea, fruit, cane sugar, and hogs. For instance, since 1979, the 6315K-1 diesel engines produced by the Yingshan Diesel Engine Plant have been a quality product of Guangxi and the state, and have sold well in Hong Kong, Australia, and Southeast Asian countries. The highly refined black tea produced by the Bose Tea Plant has been a quality product of the autonomous region and the Ministry of Commerce and has sold as far away as Britain, the United States, and other countries. From 1951 to 1985, they produced a total of 1,299 million yuan in industrial and agricultural output and turned over 200 million yuan to the state. 3) A contingent of professional public security cadres and policemen has been established. Being loyal to the socialist system and loving reform-through-labor work, they have performed outstandingly their dual duties in transforming [gai zao 2395 6644] criminals and organizing production under special circumstances and difficult conditions.

In 1986, Guangxi region made sustained and steady progress in the reform-through-labor work.

1. Measures were further implemented to integrate punishment with ideological transformation. First, all the reform-through-labor organizations launched a full-scale operation to reinforce regulations and discipline, tighten up control, resolutely crack down on those who try to commit crimes in camps, and maintain good order in camps, with the focus laid on preventing those detained in the camps from escaping. Second, a general operation was launched among the culprits [fan ren 3690 0086] to evaluate their performance in ideological transformation and productive work, thus a quantitative performance assessment system was introduced and the culprits' initiative in transformation was brought into play. Third, an operation was launched to give full play to the community's role in helping and educating criminal culprits. For instance, groups of heroes and model workers were invited to give reports, law propagating groups were invited to give lectures, and party and government leaders and well-known personages were invited to give talks in reform-through-labor camps. Culprits' family members were also invited to visit the camps to give advice and encourage the culprits to play an active part in ideological transformation. This has proved to be effective.

2. The "triple" education system that takes political education as the key link, and cultural and technical education as the auxiliary link has been developed into a regular system. The total floor space of schools for culprits in reform-through-labor camps in this region is

24,806 square meters. The culprits' enrollment rate in political education classes is 91.57 percent. A total of 660 cultural education courses are being run, with 869 full-time teachers; the culprits' enrollment rate is 88.9 percent, and their examination pass rate is 81.1 percent. A total of 259 technical training courses are being offered, with 300 full-and part-time teachers; the culprits' enrollment rate is 50 percent, and their examination pass rate is 89.5 percent. Striving to develop into a special school for transforming and educating people, the Yingshan Diesel Engine Plant has been doing well and has been renamed the "Yingshan Yuxin School" with the approval of the regional Reform-Through-Labor Bureau and the local prefectural commissioner's office and county education bureau.

3. *All enterprises under the reform-through-labor system have further improved the transformation and education dual contracted responsibility system, readjusted their production structure, and maintained sustained and steady growth in production.* Despite natural disasters and increases in industrial production costs due to social and policy changes, these enterprises still managed to turn out an annual gross industrial and agricultural output value of 102.92 million yuan, an increase of 4.04 percent over 1985, and profits of more than 9 million yuan were recorded.

NPC Vice Chairman Arrives in Lhasa

*OW1605221491 Beijing XINHUA in English
1349 GMT 16 May 91*

[Text] Lhasa, May 16 (XINHUA)—Ngapoi Ngawang Jigme, vice-chairman of the Standing Committee of National People's Congress and chairman of the standing committee of Tibet Autonomous Region People's Congress, arrived in Lhasa today.

Ngapoi was accompanied by his wife, Ngapoi Tsirten-Choga, who is the vice-chairman of All-China Women's Federation and honorary chairman of Tibet Women's Federation.

Pebala Celieh-Namje, vice-chairman of National Committee of Chinese People's Political Consultative Conference, along with deputy secretary of the autonomous region's party committee Raidi, and the chairman of the region government gyaincain Norbu, were at the airport to welcome Ngapoi and his wife.

Tension Rises As Anniversary Draws Near

*BK1605134291 Hong Kong AFP in English 1337 GMT
16 May 91*

[Text] New Delhi, May 16 (AFP)—Tibetan nationalists accused China on Thursday of imposing "undeclared" martial law by bringing their homeland under a massive security cordon ahead of the 40th anniversary of its takeover.

"Tibet is once again put under undeclared martial law as tibetans refuse to cooperate with the chinese occupation

authorities" in celebrating the May 23, 1951 annexation, the Dalai Lama's bureau here said in a statement.

The statement described the atmosphere throughout Tibet as "very tense" as the anniversary of what China calls "peaceful liberation" of Tibet by the Chinese military draws near.

"The movement of people is strictly controlled and it has come to virtual standstill," it said. "Major road junctions and entry points into Lhasa as well as other towns are manned by heavily armed military and police personnel. Soldiers with machine guns are posted on rooftops at strategic places."

It quoted foreign tourists returning from Tibet via Nepal as saying there were more Chinese uniformed army and police in the Tibetan capital Lhasa than Tibetans.

A total ban has been clamped on foreign visitors until the celebrations end, the statement said quoting the tourists.

"The prevailing situation in Tibet clearly exposes the Chinese claim about the success of their policy in Tibet," said the statement. "The people of Tibet have nothing to celebrate (but) 40 years of ruthless Chinese military occupation, oppression, exploitation and untold suffering."

"Today Tibet is a graveyard of civilisation, and a captive country," it said. "What is there for the six million Tibetans in Tibet to celebrate?"

Their spiritual and temporal leader, the Dalai Lama, fled to India following an abortive 1959 uprising crushed by Chinese troops.

An offer by the Dalai Lama to accept Chinese control of its defence and foreign affairs in exchange for internal autonomy has met with little response from Beijing.

India, also home to more than 100,000 Tibetan exiles, does not recognise the Dalai Lama's government-in-exile, based in the northern Indian hill town of Dharamsala.

Article on Tibet's Status Before 1950

*HK1605095191 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 16 May 91 p 2*

[Article by Yang Gongsu (2799 0361 4790), professor of Beijing University: "History Brooks No Distortion—Refuting the Dalai Lama's Erroneous Argument That 'Tibet Was a State from 1911 to 1950'"]

[Text] The 14th Dalai Lama, Bstan-'dzin-rgya-mtsho, recently said in Britain that from 1911 to 1950, China's Tibet region was a state with full power. Is that true?

I

In the period of the 1911 Revolution, because the Sichuan army staged a riot in Lhasa, the 13th Dalai Lama, Thub-bstan-rgya-mtsho, fled to India. In 1912, with the support of Britain, he returned to Tibet and expelled the Sichuan army and Han people. After the

founding of the Republic of China [ROC] and the official promulgation of the five-nationality republican decree, the Dalai Lama sent a telegram to the Mongolian-Tibetan affairs bureau of the then central government in Beijing, requiring that his title be restored to maintain Buddhism. President Yuan Shikai then issued an order on restoring the Dalai Lama's official title.

At that time, some monastery and tribal leaders in Xikong staged a campaign against Zhao Erfeng's plan for replacing hereditary local chieftains with non-hereditary appointees from the central government [gai tu gui liu 2395 0960 2981 3177], and riots broke out. The central government appointed Yin Changheng to be commander of the Western expeditionary force to put down the riots in Xikang and Tibet. When the Western expeditionary force was closing in on Lhasa, the 13th Dalai Lama dispatched envoys to talk with Yin Changheng at Dajianlu on the issue of restoring relations between the central authorities and the local authorities of Tibet. The British imperialists interfered in this event. On the one hand, they impeded the Dalai Lama from holding talks with the central authorities; on the other, they flagrantly put forward five conditions that interfered in China's internal affairs. At the same time, British troops in India were dispatched to the Indian-Tibetan border, and reinforcements were sent to Yadong. They demanded that a British-Chinese-Tibetan tripartite conference be held in India to settle the so-called Tibetan issue. The Chinese government turned down the British demands, and Britain in return refused to recognize the ROC government led by Yuan Shikai. Giving in to the pressure of the British imperialists, Yuan Shikai sent his representatives to attend the notorious Simla conference engineered by the British. The so-called inner-outer Tibet scheme formulated by the British-manipulated conference was rejected by the Chinese government, and the Simla treaty was also denounced by the Chinese side as illegal. The British imperialists and some international forces that attempted to split China argued that the treaty may be taken as the grounds for Tibetan independence. However, even some separatists later conceded that the argument was untenable, because the treaty was illegal.

The above facts attest that the so-called grounds for "Tibetan independence" are completely untenable.

II

The 13th Dalai Lama died in 1933. He originally assumed an anti-British stance. Later, he had recourse to the British support to expel the Sichuan troops and to fight the Tibet-Sichuan war. During the Tibet-Sichuan war, British trained officers for him and helped him expand the army and set up a police force. However, this was opposed by the monasteries and aristocrats in Tibet. The British thought that their plan could not be implemented because it was obstructed by Gesha [0900 0633], the local regime. So they instigated the pro-British Charong [1390 4823] to stage a coup and overthrow Gesha. Military and administrative power was held in the hands of pro-British elements for a time. After the

Dalai Lama perceived this scheme, he dismissed Charong from office and closed down the officer training school run by the British in Jiangzi.

The 13th Dalai Lama then felt that the British were not reliable, because his recourse to the British support would not only cause internal strife in Tibet, but might also do harm to himself. So he decided to change the pro-British policy, and leaned closer to the central government. When the civilian official bureau of the central government sent an envoy to meet him in Lhasa, he asked Liu Manqing to convey a letter to Jiang Jieshi, the then premier of the Executive Yuan of the national government, saying: "What I hope for is China's real peaceful unification.... The British indeed tried to entice me, but I am aware that sovereign power must not be lost and that their character and customs are incompatible with ours. So I have always been dealing with them courteously but without sincerity, and have never tried to share any rights and interests with them." This marked a major change in the political attitude of the 13th Dalai Lama in his late years, and also indicated that he had acquired a deeper understanding of the British imperialists' ambition.

III

As soon as the Kuomintang set up the national government in Nanjing, the 13th Dalai Lama sent representatives to expand the Tibetan representative office in Nanjing, and made it an official institution for maintaining relations between the local authorities of Tibet and the central government.

After the 13th Dalai Lama died, the British imperialists more blatantly plotted to invade Tibet. According to the long-established rules of the Chinese government, the local government of Tibet reported the death of the Dalai Lama to the central government, and the central government sent Huang Musong, a high-ranking official, to attend the memorial ceremony. The British Indian government was deeply apprehensive about and discontented with the presence of the representative of the Chinese central government in Tibet, and it also sent its political commissioner in Sikkim to Lhasa. In the name of attending the ceremony, his real purpose was to keep watch on Huang's activities and also sow discord among some upper-ranking Tibetans. Therefore, the talks between Huang Musong and Gesha on improving relations between the central government and the local government of Tibet achieved no result. When Huang Musong left Tibet, some members of his entourage together with the radio sets were left, and formed the resident representative office of the Mongolian-Tibetan affairs commission in Tibet. In 1942, abetted by the British, Gesha set up its "foreign affairs bureau" to conduct diplomatic activities, and required the central organ in Tibet to directly contact the "foreign affairs bureau" like foreign organs did. At that time, Jiang Jieshi, then chairman of the national government in Chongqing, summoned the Tibetan representative in the capital, and severely criticized the event. Jiang pointed

out: The local government can set up foreign affairs institution to handle local foreign-related affairs, but they must take orders from the Ministry of Foreign Affairs of the central government with regard to the formulation of foreign policy and the handling of major foreign affairs. Gesha could only obey this instruction.

When the ROC parliament was set up in Beijing in 1913, it adopted the "Law on Organizing the Election of the First Batch of Parliament Members in Tibet." Forty full and alternate parliament members were later elected in Tibet according to this law.

To practice the monarchical system, Yuan Shikai disbanded the parliament and convene a constitutional conference. All such meetings were attended by local deputies from Tibet. In 1916, when Li Yuanhong took the office of president, he ordered the restoration of the first ROC parliament. Nine senators and 10 congressmen from Tibet attended the resumed parliament meetings. In 1917, Sun Yat-sen convened an extraordinary parliament session in Guangzhou, and five senators and five congressmen from Tibet also attended the Guangzhou session. After the Zhili-Fengtian war in 1922, Li Yuanhong again became ROC president, and the Chinese parliament was resumed for the second time. There were 17 Tibetan members in both houses. In 1925, when Duan Qirui, being provisional executive chief, convened conference to discuss remaining issues, which was attended by Dunzhu Wangjie, representative of the Dalai Lama, and Luosang Jianzan, representative of the Bainqen Lama.

In 1927, the Kuomintang set up the national government in Nanjing. In 1930, when the national government held a Mongolian-Tibetan affairs conference to settle the Mongolian and Tibetan border problems, Gesha, the local government of Tibet, indicated: "Tibet is one of the five major nationalities of our nation, and it shares ties as close as lips and teeth and also bear the same honor and disgrace with the whole nation. So there is no reason for Tibet's separation." So Tibet sent its representatives to attend the conference. In 1931, when the national government convened a national assembly, 10 deputies from both Frontal and Rear Tibet were sent to attend the meeting. At that time, the Bainqen Lama who was in the interior of China also attended the national assembly session. At that session, the Constitution for the Political Tutelage Period was adopted as China's fundamental law, and that law reiterated that "the territory of the ROC includes all provinces, Mongolia, and Tibet."

In the period of the Anti-Japanese War, the national government convened the national political consultation conference, which was attended by Tibetan deputies Xirao Jiacuo and Ding Jie. All sessions of the political consultation conference were attended by the Tibetan deputies. At the Sixth National Congress of the Kuomintang, Tibetan Local Regent Rezhen, a living buddha, was elected to be member of the central committee of the party; and Gesang Zeren was elected alternate member of the central supervisory commission.

In 1946, after the victory of the Anti-Japanese War, the national government convene the national assembly for enacting the constitution. Ten deputies from the Tibet region attended the meeting (and eight of them were directly dispatched from Tibet); and six representatives of Bainqen's Kanbu conference also attended the meeting. At that session, Tibetan local deputy Tudan Sangpi was elected member of the presidium, and the Tibetan deputies all participated in the formulation of the constitution. In 1948, the national government convened the constitution-making session of the national assembly, and the local government of Tibet sent 13 representatives to attend the session. Tudang Sangbu was elected member of the presidium at that session.

All the above historical facts showed that the central government of China constantly exercised effective administration over Tibet. When did Tibet become a state with full power? In the period between 1911 and 1950, the local authorities of Tibet still maintained relations with the central government, attended all major national political conferences, and participated in the formulation of the then fundamental laws of the state. How can Tibet be described a state in that period? Some Tibetan separatists advocated "Tibetan independence," but they just parroted the words of other people in a vain attempt.

Buddhism in Tibet Viewed

HK1605132691 Beijing RENMIN RIBAO
in Chinese 9 May 91 p 3

[Article by staff reporter Liu Wei (0491 0251): "Buddhism in Land of Snows"]

[Text] Tibet is magical for its highland features embraced by snowy mountains, and mystical for its rich religious atmosphere felt all over this plateau region. The moment a visitor arrives in Tibet, he sees sutra streamers hoisted on rooftops and at mountain passes and hears sacred horns sounding from golden-roofed, red-walled monasteries.

As a reporter visiting Tibet, I frequently came across many stone mounds on which yak horns were laid as offerings. The yak skulls were usually inscribed with six-word Tibetan incantations, which is probably a custom handed down through generations from their nomadic ancestors on the plateau a long time ago for sacrificial purposes. Tibet is a plateau brightly lit by the sun, with a sky blue as blue can be and a horizon wide as wide can be. When visiting some villages, I often saw the stone walls of villagers' dwellings painted with white images of the sun and the moon, a crescent setting off a disc. The plateau residents' understanding of the eternity of life and infinite samsara is condensed in these images.

Since the first joss stick was lit in Samye Monastery, the first Buddhist monastery on the riverside of Yarlung Zangbo, more than 1,300 years have elapsed. Tibetan Buddhism, a blend of Buddhism and Bon, has branched into many sects including Dge-lugs-pa, Sa-skyapa, Bka'-brgyud-pa, and Rnying-ma-pa. In Lhasa in 1409, the founder of Dge-lugs-pa preached about the Tantras,

chanted scriptures and prayers, collected alms, and gave out donations, thus making Dge-lugs-pa, commonly known as the "Yellow Hats," the most important sect in Tibet. It also installed two major reincarnation systems, namely, the title of Dalai and that of Panchen, granted by a Qing Dynasty emperor. To put it briefly, the most prominent feature of Tibetan Buddhism is that it contains the doctrines of Sakyamuni but chiefly follows the Bon rites such as the practice of sacrifices, dances in trance, and esotericism, and has a reincarnation system.

Since the Yuan Dynasty court reorganized Tibet into 13 myriarchies and Kublai Khan appointed the Sa-skya abbot 'Phags-pa ruler of Tibet in the 13th century, the theocracy lasting over 700 years enabled the religious influence to permeate all aspects of Tibetan life. The old theocratic system brought religion into political, economic, and other fields and monasteries of all sizes formed into one bloc, thus giving rise to the division of classes and the phenomenon of exploitation in the society. Local officials, nobles, and high-ranking monks in monasteries became the three ruling forces of Tibet. As a rule, both laymen and monks occupied official posts at each level of administration in old Tibet. Monastic possession of arable land took up 39.5 percent of the total in Tibet. Zhaibun Monastery alone used to own 185 plantations, more than 300 pastures, over 30,000 head of livestock, and over 20,000 serfs in farming and animal husbandry. Spread all over old Tibet were more than 2,700 monasteries and temples, almost one in each village, with over 114,000 monks and nuns. The Tibetan people's human feelings were suppressed and their creativity distorted. Culture, art, and wealth were concentrated in monasteries whereas poverty and backwardness belonged to the general public who piously worshipped the Buddha. The idol of the Tibetan people's own creation enslaved themselves. Hence this contrast in old Tibet: Awe-inspiring was the religious culture created by the Tibetan nationality with the resplendent Potala Palace, Trashi Lhunpo monastery, exquisite (Mogaho) [mo ga he 4333 0867 0735] mural, and lifelike statues of gods; yet the productive forces were very backward.

Today's Tibet, however, is not only receiving good protection for its religions and culture, but has also made rapid progress in its economy. The root cause is that, under the leadership of the CPC, the Tibetan people have been liberated, politics has been separated from religion, the feudal religious privilege and the exploiting and oppressing system have been abolished, and the people's wisdom and creativity have become their own assets.

Protected by the policy of religious freedom, Tibet has maintained its unique charm as an embodiment of both myth and reality, of both history and the present age. In Lhasa or Xigaze, as one roams in the street, one can see Western-style suits and leather shoes among bright-colored Tibetan robes, and cars and motorcycles speeding past religious people, male and female, busy doing their kowtows. Around Tsuklak Khang in the well-known Bargor Street in Lhasa, modern commercial flavor is merged into the ancient religious atmosphere.

In the suburbs, erected on the rooftop of the multistory houses of the peasants are television antennas in company with the sutra streamers, which are changed seasonally. The herdsmen in pastoral areas put up buddha niches in their tents while the revolving windmill generators are humming with the scripture-chanting of the old people. Not long ago, I followed a crowd of pilgrims into Trashi Lhunpo Monastery. Over 700 monks of the monastery, all wearing yellow hats and sitting in apple-pie order, were chanting the scriptures. That day was the 330th anniversary of Panchen IV's death. Having left the monastery, with its row upon row of monk's lodgings, I went past a school in Xigaze and heard from inside the primary pupils reading aloud in chorus.

Worshipping the Buddha is a characteristic cultural phenomenon of Tibet. Though Tibet went through the havoc of the "Cultural Revolution," the party Central Committee's religious policy for the socialist period was promptly implemented in Tibet and the normal religious activities of the monks and laymen were protected. So far, more than 1,400 monasteries, temples, and chapels have been opened in Tibet, and the number of monks and nuns has amounted to over 34,000. Important religious festivals of various sects have all been restored. The governments at various levels have earmarked enormous sums of money for repairing a large batch of monasteries and temples. The Buddhist Association of the autonomous region also set up a scripture printing house. In 1983, Tibetan Buddhist College was founded.

How are the present religious activities different from the old ones in Tibet? The famous reincarnated Buddha (Qaza) [qia zha 1874 2089] of Trashi Lhunpo Monastery said: "The monasteries and temples used to possess political power, profit by others' toil, and exploit and oppress the common people. Now the monks are running the monasteries and temples in a democratic way, follow the instructions of Panchen Lama X, love the country and the religion, and commit themselves to propagating Buddhist doctrines. Trashi Lhunpo monastery is now applying the method of running the monastery on self-generated funds. The monks have set up companies, shops, and other service establishments, and opened Tibetan medicine clinics to benefit the general public and also add to the income of the monastery."

Professor Dongga Losang Chilai is a reincarnated-Buddha-turned-scholar. He is now professor with Tibet University and enjoys high prestige in Tibetan studies. Totally devoid of the airs of a monk formerly found in him, he is now full of scholarly makings. Professor Dongga is still used to wearing a tonsure. Standing out on his bookshelf are the five books he has written in recent years. His studies cover a wide range from the religions and education to the history of Tibet. With a smile, he said: "These days, old people respect me because I am a reincarnated Buddha, whereas young people look upon me more as a teacher and like to discuss Tibetan cultural and religious history."

On my reporter's errand in eastern Tibet, I once went through a village. Most of the villagers have quite good income, because the adult men in the village are mostly good at handicrafts, either as painters, or gold or silver-smiths. However, there is a strong Buddhist fervor here. Some villagers do not hesitate to spend tens of thousands of yuan to build family chapels, instead of rebuilding their dwellings. Some villagers travel a great distance to Lhasa to worship the Buddha, taking with them over 10,000 yuan as alms for the monasteries and coming home with empty hands. A village cadre said to me: If they had spent their annual income improving their production and living conditions, they would probably have been really rich."

Not all residents in Tibet are staunchly religious. I met a peasant family in the suburbs of Xigaze. The host said: "I believe in no religion."

RENMIN RIBAO Stresses Youth Work

HK1405141891 Beijing RENMIN RIBAO
in Chinese 4 May 91 p 3

[Article by Ding Guangen (0002 7070 2704): "Properly Carry Out Youth Work, Bring Up Successors to Socialist Cause"]

[Text] This year sees the 72d Anniversary of the "May 4th" Movement. Since the CPC's founding, it has always advocated bringing forward the glorious tradition of the "May 4th" Movement. While marking the anniversary of the "May 4th" Movement today, we should attach greater importance to bringing up the young people, helping them become successors to the socialist cause to inherit and bring forward the cause initiated by our revolutionary forerunners.

Presently, the whole country is studying and implementing the 10-Year Program and the Eighth Five-Year Plan for national economic and social development to work hard to realize the second-step strategic goal. This inspiring program opens up bright prospects for socialist China, while providing new historical opportunities and setting forth higher requirements on our young people. At the same time, we should see that some people are pinning their hope of "peaceful evolution" on our young people. This being the case, it is necessary to see the significance of youth work at the strategic plane that it has a bearing on the rise and decline of the state, and success and failure of socialism.

Since the Fourth Plenary Session of the 13th CPC Central Committee, the Central Committee's collective leadership with Comrade Jiang Zemin as the core has inherited and brought forward the party's fine traditions, augmented party building in a big way, and attached great importance to youth work, with the nurturing and education of young people placed on its work agenda, the principle and tasks for youth work formulated, and the guiding idea and orientation of the work made explicit. It is imperative for us to do a good job of youth work according to the principle and tasks set by the Central

Committee and to take an active part in guiding all young people to go all out to make progress to become successors to the socialist cause.

Efforts must be exerted to bring up young people with lofty ideals, moral integrity, better educational background, and a higher sense of discipline. This is the general goal for our youth work. It is necessary to conduct education in lofty ideals among young people, augment their sense of historical mission, stimulate them to devote their whole lives to building socialism with Chinese characteristics, modernizations and reinvigorating the Chinese nation. It is necessary to conduct education in socialist ethics, unfold activities in learning from Lei Feng, help them in fostering lofty ethics and values so that they may self-consciously resist the corrosive influences of decadent bourgeois and feudal ideologies. Science and culture are decisive factors in developing the productive force. The young people should prize their own precious youth, work hard in their study in pursuit of new knowledge to master advanced science, technology and cultural knowledge to improve their abilities to serve the people. Discipline is the guarantee to realize lofty ideals, and young people should play an exemplary role in observing discipline. In short, we should help and guide the young people to continuously advance along the goal of "bringing up young people with lofty ideals, moral integrity, better educational background, and a higher sense of discipline" in the environment of reform and opening.

It is necessary to adhere to educating the young people in patriotism and socialism. Patriotism is a great rallying force of the Chinese nation. In modern Chinese history, patriotism has always been a brilliant banner to mobilize and inspire the Chinese people to unite and fight. The zealous young people during the period of the "May 4th" movement rallied under the banner of patriotism, regarded concern for state affairs as their own duty, and waged unbending struggles against feudalism and imperialism to salvage the Chinese nation which was in extreme misery. In the course of initiating socialist New China, numerous revolutionary martyrs left their families in their teens to fight on the battleground and dedicated their young and precious lives to the Chinese nation. During the period of socialist construction, many fine sons and daughters of China left for places where they were most needed and started from scratch in hardships to change the motherland's impoverished and backward feature. Whether it be today or in the future, patriotism remains a fountainhead from which our young people draw tremendous strength to make progress. Under the situation of reform and opening, while guiding the young people to face the world, the future and modernization under the situation of reform and opening, it is imperative for us to educate the young generation in patriotism, unyielding integrity of the Chinese nation and our national conditions to help the young people acquire knowledge in Chinese history, especially the history of the Chinese people's unbending resistance against foreign aggression over the past century so they may augment national self-respect, confidence, and pride and the determination and persistence

in enabling the Chinese nation to plant its feet among the forest of the world advanced nations, while placing the interests of the motherland the people above all else and merging their patriotism with the great cause of socialist modernization and reform.

It is necessary to conduct education in cherishing the party and socialism among the young people. Young people should be helped to see why it is imperative to adhere to the party leadership and the socialist road by linking to the party history, history of social development, and the tremendous changes since reform and opening. Presently, special attention should be paid to help them correctly understand the truth that the development of anything involves a process, and there are ups and downs in the course of socialist development. Capitalism now has 300 years behind it, and it has gone through the struggle between feudal restoration and antirestoration in its development. It has been only 70-some years since the founding of the socialist system, and it is nothing strange that it also has some ups and downs. It is necessary to see socialism's advantages. Between 1953 and 1989, China's gross industrial and agricultural output value increased by 23.3 times, with an annual average growth rate of 9 percent, of which industrial average growth rate was 11.1 percent, ranking top in the world.

Young people should be made to see that socialism is developed through self-reliance and hard work, but not through plunder, exploitation, and colonial practices. China lags behind others in some aspects, but takes the lead in other aspects; therefore, we should not improperly belittle ourselves. China has to support 22 percent of the world population with only 7 percent of the land on earth; however, it is making progress from having enough food and clothing to being comparatively well-to-do. That is an important contribution to the world. Both history and reality have evidenced to the fact that only by taking the socialist road under the CPC leadership will it be possible to save China, make the nation prosper and powerful, and bring happiness to the people. The young people believe in and respect truth, they must magnify their confidence and firm up their belief in socialism.

It is necessary to guide the young people to go deep into practice and take the road of combining themselves with the workers and peasants. Adhering to going deep into practice and the road of combining with the workers and peasants is the correct orientation and fine tradition of China's youth movement initiated by the "May 4th" Movement as well as the inevitable road for the growth of contemporary young people. It is necessary to educate and guide the young people to consciously link their growth to the needs of the country and people. All young people of noble aspirations, who wish to become useful qualified people must go deep into practice to understand the national conditions, learn from and draw wisdom from the masses to improve their intelligence and abilities through practice, while acquiring book knowledge through diligent study. We should take an active part in creating conditions for the young people to

go deep to the grass roots and establish ties with workers and peasants to understand society, life, and themselves. The young people should be encouraged and guided to take an active part in joining themselves into the undertakings of economic development, reform and opening, to work hard and do their bits for building socialism and bringing honor to the Chinese nation.

We should enthusiastically care for the young people, while setting strict requirements on them. Since the Third Plenary Session of the 11th CPC Central Committee, our party has, in practice, adhered to building socialism with Chinese characteristics, initiated a new historical stage of socialist construction in China. The young generation growing up along with this great change are courageously advancing along with the party, making positive contributions to the four modernizations and reinvigoration of the Chinese nation. The young people are playing the role of a new force in economic construction, reform, opening and building spiritual civilization, and have created extraordinary feats on ordinary posts. The dedications and creations by young people are found everywhere in the motherland. Facts have fully shown that the nature and main current of China's young people are sound. The overwhelming majority of young people are diligent in study, active in making progress and support the party's line, principles and policies, while working hard to make China prosper and powerful with earnest aspirations and practical actions. They are a very promising generation and will have much to accomplish. At the same time, we should see that the young people have not personally gone through old China's ordeal, lack practical experiences and comprehensive knowledge of the national conditions; besides, we have relaxed ideological and political work and education in fine tradition for some time past; consequently, some young people were affected by the bourgeois outlook on life and value concept, with a weakening in the sense of the collective and the state. The chief responsibility lies in us for those problems because we failed to do a good job in our work. It is imperative for us to earnestly sum up experiences to augment youth work in a down-to-earth way.

Young people are our future, and we pin our hope on them in reinvigorating the Chinese nation. The young people should prize the fruits of victory which were hard to come by. They should consciously maintain the political situation of stability and unity, display their self-respect and self-esteem, make progress, and render meritorious services to the motherland and the people, while taking up the historical responsibility for carrying forward the revolutionary cause and forge ahead into the future to reinvigorate the Chinese nation. Enthusiastic care means showing concern for young people in their political and ideological conditions and in their work, study and life, safeguarding their political rights and interests, encouraging them to consider and realize their wish to be progressive based on the motherland's needs, trusting them fully and helping them to make continuous progress on the socialist road. By strict requirements means urging them to adhere to a correct political

orientation, set high criteria on themselves, gradually establish proletarian outlook on life and world outlook, while being determined to make contributions to the cause of the motherland and the people. Regarding some of their shortcomings and mistakes, we should educate them with reasoning and enlightening with solemnity as well as enthusiasm to help them deepen their understanding and consciously correct their shortcomings and mistakes. Leading cadres should constantly go among young people to have heart-to-heart talks with them, understand what is in their minds to do a better job in guiding them to adhere to the four cardinal principles, reform and opening and work hard to open up the motherland's bright future.

Youth work is an important component of party work, and the Communist Youth League (CYL) is the party's assistant and reserve. The whole party and society should attach importance to and show concern for youth work. They should do substantial work and good things for young people's growth, take up the glorious responsibility for nurturing them while doing a more efficient job of bringing up successors to the socialist cause, a work of great strategic significance.

Intellectual Property Rights Viewed

OW1605031891 Beijing XINHUA in English
1513 GMT 15 May 91

[Text] Beijing, May 15 (XINHUA)—Wang Zhengfa, director of the Patents Department of the China Council for the Promotion of International Trade, said here today that China has a solid legal foundation for protecting industrial property rights.

Wang, who is also secretary-general of the China branch of the International Association for the Protection of Industrial Property, said in an interview with XINHUA that China's legal system regarding the protection of intellectual property rights has been basically taken shape after the country's more than ten years' efforts, and continues to be improved and developed.

China has issued a series of laws in the past ten years, which are directly related to the protection of intellectual property rights, including laws concerning trademarks, patents and copyrights.

During the past ten years, China has participated in the Paris Convention for the Protection of Industrial Property, and the Madrid Agreement concerning the registration of trademarks.

Meanwhile, China has established a number of institutes concerned with the protection of intellectual property rights, including the China branch of the International Association for the Protection of Industrial Property, the China Licensing Executives Society, the China Society for the Study of Intellectual Property, the China Society of Copyrights, and the All-China Association of Patent Agents.

As one who has closely followed the development of China's legal protection for intellectual property rights, the 46-years-old Wang says that the exclusive use rights of trademarks has been stressed in China's trademarks law. According to Wang, the law, which was published in 1982, was the first law concerning the protection of intellectual property rights enacted since China opened to the outside world.

It is unnecessary for people to worry about the effectiveness regarding the ownership of trademarks in China, Wang said. In fact, he added the ownership of trademarks has been effectively protected in the country.

In recent years, Wang said, many disputes on infringement upon foreign trademarks rights, such as IBM, Sony, Sharp, Coca-Cola and M & M's, have been properly settled.

Some people complained that in China they seldom received compensation for losses incurred when their trademarks have been violated. As for this, Wang said, the best avenue is to directly file a lawsuit with court. Although solving problems through the channel of industrial and commercial administration departments cost less and is less time-consuming, Wang said, it is difficult for these departments to order compensation, and that more often than not they simply fine the abuser when handling trademark violation cases.

Wang said that Chinese courts are always ready to hear and handle cases involving abuses of trademarks according to law and treat parties, Chinese or foreign, equally without discrimination, although, at present the number of such cases is quite small.

China is also considering an amendment to its trademarks law to ensure that the law provides better protection for service, collective and identification trademarks, said Wang.

In addition, a number of more specific regulations concerning trademark violations are likely to be added to the law, Wang said. Various measures might be taken including the detention by customs office of goods that infringe upon trademarks rights and it is very likely that the protection of famous trademarks will be clearly defined in additional articles. Wang said that such action will be in line with relevant articles in the Paris Convention for the Protection of Industrial Property.

China's patent law is another major aspect of protecting intellectual property rights, said Wang.

The concept that intellectual products are also commodities is for the first time officially confirmed in the patent law, and this is a major breakthrough in China's legislation concerning intellectual property protection.

International practice and the basic principles of the Paris Convention are well engrained in China's patent system, said Wang.

China has handled over 170,000 patent applications since the law was implemented six years ago, of which

30,000 applications were from foreigners, Wang said. The patentees' rights are guaranteed by Chinese courts and other relevant departments.

China's copyright law protecting the rights of an author will be implemented soon, according to Wang. Implementation of the law will be another progress in China's record of protecting intellectual property rights.

Many articles contained in China's copyright law are based on worldwide practices and international conventions, including the Berne Convention for the Protection of Literary and Artistic Works, said Wang. He added that independent regulations for the protection of computer software will also be released.

Although there are still areas for improvement, said Wang, the speed with which China has developed its system for protecting intellectual property rights during the last decade is rarely seen.

China will further improve its system for protecting intellectual property rights so that the country's relevant laws will be more in line with international trends, said Wang.

'Pen Talk' on Methodologies for Studying Socialism

HK1605070391 Beijing RENMIN RIBAO in Chinese
10 May 91 p 5

["Pen talk" under the heading "Only Socialism Can Develop China" by Professor Zhou Xirong (0719 6932 2837) of the Central Party School: "Some Methodologies for Understanding, Studying Socialism"]

[Text] Aside from the question of standpoint, the understanding and study of socialism also involves the question of methodology which, in a sense, is of paramount importance. If the methodology is correct, then the standpoint will become stronger; if the methodology is not correct, self-doubt and confusion will arise and the steadfastness of one's stand may even be affected. Engels stated: "The entire world outlook of Marxism is not a dogma, but a methodology." (*Complete Works of Marx and Engels*, Volume 39, Page 406) This is very insightful statement. In view of this, and of incidents that have emerged during the development of socialism, there are indeed some questions of methodology that merit our attention and study.

First. It is necessary to note that "socialism" is a comprehensive concept that may have a different meaning when used on different occasions. For instance, socialist theory, socialist movement, socialist system, socialist construction, socialist state, socialist society, and so on. These concepts are interrelated and yet different from one another. Their interrelationship is manifested as follows: Socialist theory guides the socialist movement the aim of which is to establish a socialist system. After a socialist system is established, socialist construction has to be undertaken. A country that implements a socialist system is known as a socialist state, while a society that implements a socialist system is a socialist

society. In short, they are interwoven by a single red thread, socialism. However, the mere knowledge of their interrelationship is not enough, as it is also necessary to take note of their differences; otherwise, an incorrect methodology could lead to an error in understanding. Obviously, the socialist movement and socialist construction are carried out under the guidance of Marxist socialist theory; this is the fundamental guarantee for the inevitable triumph of the socialist movement and socialist construction. However, owing to various complicated factors, particularly the wide gap in terms of quality between the worker and the leader who are taking part in the socialist movement and socialist construction, there can be no guarantee of 100 percent success in the movement and the construction. That is to say, even as achievements are being scored, certain errors—including fairly large ones—will appear. This is not at all surprising. Under these circumstances, we can only earnestly sum up the experiences and lessons, but not lightly attribute the errors to the socialist theory nor use them to negate Marxism. Similarly, the socialist system, socialist state, and socialist society are also different from one another. The socialist system is the principal feature in a socialist state, but the socialist state is not totally synonymous with a socialist system. A socialist society is a society that implements a socialist system where the principal features are the socialist economy, politics, ideology, and culture. However, reality tells us that class struggle, along with serious economic and criminal offenses; negative phenomena like unfair distribution, lack of morality and of civilization; and pernicious feudal and bourgeois ideological influences continue to exist to a certain extent in a socialist society. These problems and phenomena are what Marx described as "the traces of the old society which are lingering in the economic, moral, and spiritual aspects." (*Selected Works of Marx and Engels*, Volume 3, Page 10) Therefore, whenever we see or come upon these distasteful problems, we should take note to differentiate a socialist society from a socialist system, and should not blame these problems on the socialist system nor use them to deny the superiority of the socialist system.

Second. It is necessary to have a comprehensive understanding and building of socialist society in order to promote its overall progress. The understanding and study of socialist society should be based upon the theory of historical materialism on regular social structures. All societies have a corresponding economic foundation for their existence. They also have a political system, ideology, and culture that make up their superstructure. Socialist society is no exception; it is a complete organic body made up of the socialist economic foundation, political system, ideology, and culture. Corresponding to this is the building of socialist material civilization, democratic politics, and socialist spiritual civilization. The objective of the struggle as outlined in our party's basic line—that is, "to struggle to build our country into a prosperous, democratic, and civilized modern socialist state"—is totally compatible with the comprehensive building in these three areas.

Based on our experiences in socialism in the last 40 years and on the existing situations in international socialism, both positive and negative experiences and lessons tell us that the attitude toward a socialist society should be as follows: Comprehensive understanding-comprehensive construction-comprehensive progress. Comprehensive construction stems from comprehensive understanding, while comprehensive progress comes from comprehensive construction. That is to say, there can be no one-sided understanding or one-sided construction, and there can be no "firmness on one hand, laxity on the other." Otherwise, the socialist society will not achieve comprehensive progress. Therefore it is necessary for us to integrate the building of socialist material civilization, democratic politics, and socialist spiritual civilization in terms of methodology.

The comprehensive construction and progress of socialist society contains the element of harmonious development. Building these three areas involves mutual coordination, mutual promotion, and harmonious development. The reason for this is that comprehensive progress and comprehensive development are essential and inherent requirements of a socialist society. It is essentially different from the capitalist society, which has undergone distorted growth.

When we speak of the comprehensive construction and development of socialist society, we do not mean to exclude the central task; on the contrary, all the work in socialist construction should revolve closely around and serve the central task of economic construction. Naturally, there is a question of harmony between the central and the non-central tasks. Highlighting the central task does not mean the denial or playing down of the non-central tasks; emphasis on non-central tasks does not mean an attack on or a supplanting of the central task, but is designed to serve the central task with greater effectiveness. Actually, only if the central task is grasped firmly can it be possible for the comprehensive construction of socialist society to develop harmoniously.

The comprehensive progress and harmonious development of a socialist society are also a gradual process, and not ones that bear speedy results. When we say that it is necessary to have a comprehensive understanding and comprehensive construction of socialist society in order to promote its comprehensive progress, we say so in view of the inherent demand and development trend of socialist society. It does not mean that they can be accomplished unerringly once a socialist system is set up. On the contrary, this is a process that involves continuous understanding, practice, conclusion, and gradual comprehensiveness. During this process, it is sometimes necessary to undergo many setbacks in the course of acquiring understanding and practice, and even to pay a certain price. We should be mentally prepared for it.

Third. It is necessary to have a full understanding of the inevitability, superiority, and difficulty of socialism. The "inevitability of socialism" refers to the inevitable destruction of capitalism and the inevitable victory of

socialism. This inevitability of Marxism is an "iron-clad inevitability" which is 1) based on the revolutionary nature of socialized production which rejects private ownership and demands public ownership; 2) based on the class nature of the proletariat which opposes capitalist exploitation and which aspires for socialism and communism. The inevitability reflected by these two bases cannot be altered by human designs. As communists, our strong belief in the inevitable victory of socialism and communism is founded on this scientific basis. However, we also should realize that the inevitability of socialism embraces a dual-layered question: One is the inevitable birth of the socialist system, and two is the inevitable triumph of socialism. The inevitability of these two layers also encompasses the difficulty involved in the development of socialism. The birth and growth of the socialist system will not be smooth sailing, rather it will have to experience all kinds of struggles and setbacks. Particularly after the establishment of the socialist system, if the ruling party in the socialist state relaxes its guard against "peaceful evolution," or commits major mistakes in its own guideline, policy, and principle without correcting them over a long period of time, then it is possible that the socialist system will be lost. This danger exists and has been proved by the events in some countries. Consequently, understanding and mastering the inevitability of socialism is important. However, it would be detrimental not to acknowledge the difficulty involved in the development of socialism and to lose the necessary vigilance.

The "superiority of socialism" refers to the intrinsic progressiveness of the socialist system which is an objective fact. The superiority of this socialist system is, in effect, manifested by the inevitability of socialism as a system. In the long run, as long as the superiority of the socialist system is truly, fully, and continuously brought into play, then socialism definitely will triumph over capitalism in the end. However, it should be noted that the objectivity regarding the superiority of the socialist system and the question of whether this superiority can be brought into full play are two different issues. To give full play to the superiority of the socialist system, it is necessary for the guidelines, policies, and principles of the ruling party in the socialist state to be correct and for the subjective initiative of the people to be brought into play. In other words, the intrinsic superiority of the socialist system does not mean that it can be brought into full play the moment a socialist system is established. Owing to the fact that the development and perfection of the socialist system is a fairly lengthy historical process, and that the practice of socialism carries the unique element of making advances through probes, the bringing into full play of its superiority cannot be rushed. In this sense, giving full play to the superiority of the socialist system will incur a definite degree of difficulty.

The position and mission of socialism in history has determined that the process of its own evolution will be long and arduous. For complicated international and domestic reasons, it is unavoidable that certain setbacks

will occur in the development of socialism. These setbacks have existed in the past, exist in the present, and will continue to exist in the future. It is not at all frightening. The question is that we have to be clearly aware that the setbacks in socialism are not tantamount to a failure of socialism, and a momentary lapse will not reverse the great historical trend of socialism replacing capitalism. The reason is that the difficulty that we speak of in the development of socialism is premised on the inevitability and superiority of socialism. To speak only of the inevitability and not of the difficulty will easily lead to a blind optimism that "socialism will triumph easily" and is thus one-sided. Similarly, to speak only of the difficulty and not of the inevitability also will give rise easily to pessimistic sentiments that "socialism will not triumph," and thus is detrimental. In short, the inevitability, superiority, and difficulty of socialism is a theoretical and practical question that is interrelated and interwoven. Mentally speaking, it is necessary to have a complete understanding in order to avoid one-sidedness.

Naturally, the methodology concerning the understanding and study of socialism is not limited to these three areas. Nevertheless, if the problems in these three areas are earnestly understood and mastered, then our understanding of socialism will become more scientific. Only through a scientific and comprehensive understanding of socialism can we acquire a correct approach toward socialism, eliminate unnecessary self-doubt and confusion, avoid one-sidedness and blindness in socialist construction, obtain a firmer conviction in the inevitable triumph of socialism and communism, and become more conscientious in the building of socialism with Chinese characteristics.

Commentator on Increasing Weight of Reform

HK1405141591 Beijing JINGJI RIBAO
in Chinese 22 Apr 91 p 1

[Commentator's article: "Increase the Weight of Reform"]

[Text] The outlines of the 10-Year Program and the Eighth Five-Year Plan for national economy and social development have depicted a magnificent blueprint for China's socialist modernization drive in the coming decade. To realize this blueprint, it is necessary for millions of people to struggle arduously with one heart and one mind, and it is even more necessary to implement comprehensively the basic guiding principles formulated by the CPC Central Committee and the State Council, handle well the relationships between reform, development, and stability, and promote reform of the economic structure under leadership and step by step. Comrade Li Peng pointed out at the national work conference on reform of the economic structure not long ago: Now that we have developed a relatively relaxed economic environment through improvement and rectification, we should make good use of the opportunity to adroitly guide action according to circumstances, strengthen leadership towards reform, and increase the weight of reform. Strengthening leadership over reform

and increasing the weight of reform are both demands of achieving the second-step strategic plan for building socialism with Chinese characteristics and a basic way to further resolve relatively deep problems in economic life.

Looking at the course we have taken, the past decade is one of reform and of witnessing marked results in China's socialist modernization drive. Reform has changed the structural setup which fettered the development of productive forces, promoted the development of the planned commodity economy, and doubled the gross national product ahead of schedule. Practice proves that reform is not only the only way to the self-perfection of socialism but also a strong motive force for China's economic and social development. We should have sufficient theoretical understanding of motive force and, in the process of realizing the second-step strategic objective, promptly increase the weight and strength of reforms, make further efforts to change the structural setup that is incompatible with the development of productive forces, and further liberate social productive forces, thereby more effectively building socialism with Chinese characteristics.

Viewed from its process, economic structural reform has also entered a new historical stage. During the Sixth Five-Year Plan, we achieved a breakthrough in rural reform. During the Seventh Five-Year Plan, we shifted the focus of reform from rural to urban areas and, centering on the increase of enterprise vitality, promoted reform in all aspects. Now, reform has reached a mature stage of yielding the fruits of success and entered the process of initially building a new structure of socialist planned commodity economy and an operational mechanism integrating planned economy with market regulation. The task of deepening reform is set right before our eyes. We cannot go back or dodge it. We must continue on the road of reform. The new round of reform is extremely profound and broad in both intent and extent. It not only includes such complicated and arduous tasks as perfecting the ownership structure based on public ownership, developing the socialist market system, and strengthening the system of economic regulation and control, but also includes reforms of the enterprise, pricing, financial, planning, investment, and tax structures, as well as reforms of the wage, housing, and social security systems, and so on. Reform in various areas has to be coordinated with one other to form a new, mutually compatible mechanism, thus inevitably increasing the weight of reform and reaching new depths. We should likewise be fully prepared mentally for this.

The reason we talk about increasing the weight of reform is that this is a fundamental way to further resolve the relatively deep problems in economic life. Reform should be centered on resolving the main problems of economic life, which can only be gradually resolved by correct and prompt reform measures. We can see that, after over two years of improvement and rectification, inflation has been effectively brought under control, growth in industrial production has basically returned to a normal level, and economic order has obviously

improved. But, some deep problems in economic life, such as impeded economic circulation, irrational structure, poor economic results, and inharmonious structural relations, have not been thoroughly resolved.

These problems are rooted in the unfinished transformation from the old to the new structure on the one hand, and mutual restraints between them on the other, thus producing new contradictions and new problems and making it difficult to develop a benign cycle. For example, the current system of labor power employment has, to a considerable extent, conditioned the implementation of industrial policy, while the change in the system of labor power employment and the readjustment of the industrial structure are dependent on the perfection of the social security system. Even though some enterprises should suspend production in line with the demands of industrial structural readjustment and the operational conditions of the enterprises themselves, we cannot but continue to maintain them as they are, thereby delaying structural readjustment. There are many similar problems, and we can only make efforts and seek solutions through reform. The existence and aggravation of numerous acute contradictions in current economic life indicate the urgency of adding weight to reform.

In adding weight to reform, we do not and should not underestimate the great significance of economic improvement and rectification. Economic improvement and rectification and deepening of reform have always been mutually unified, promoting and complementing each other. During economic rectification, we have not put a stop to reform, but have maintained the stability and continuity of the policy of reform and opening up, introduced some comparatively major reform measures, such as straightening out prices and adjusting foreign exchange rates and bank interest rates, expanded the scope and proportion of market regulation, and taken a step toward creating conditions for fair competition among enterprises. The slight drop in temperature of the overheated economy has also improved the imbalance between overall supply and overall demand in society. All these have not only created a comparatively relaxed environment for deepening reform, but also prepared new grounds for adding weight to future reform. If, during the initial stage of economic rectification, we can use administrative means to achieve remarkable results in resolving rather low-level problems, then in the subsequent stage of economic rectification, we need to rely more on economic means and involve the structure to a great extent. In fact, to continue doing a good job in economic rectification and effectively resolving deep-level issues in economic life, we must perpetuate the spirit of reform. This is the main basis for promptly adding weight to reform and is also an important link to achieving greater successes in economic rectification.

To add weight to reform, we must closely center around the overall objective of reform and adhere to the socialist direction of reform. Besides, we must take the tolerance of the state, enterprises, and the masses into full consideration to avoid big social shocks. We must uphold the

experience and tradition proved to be good in practice. We should also press ahead and dare to make explorations, new inventions, and new breakthroughs. This makes it necessary for us to continue to emancipate our minds and adhere to the ideological line of seeking truth from facts. The standard for testing the success and failure of reform should also be the standard for practice. First, we should see whether or not it helps promote the sustained and stable development of social productive forces. Second, we should see whether or not it is advantageous to social stability and progress. Reform measures which we are sure of should be firmly carried out. We should continue with pilot projects that should be launched, and promote their implementation after gaining experiences. Particularly in exploring new operational mechanisms integrating the planned economy with market regulation, we should not take words too literally, still less should we go around in circles on abstract concepts. Through resource distribution and market circulation means, in practical economic life, we should look for and broaden our train of thought and vigorously strive for the realization of the reform objectives and tasks put forward by the 10-Year Program and the Eighth Five-Year Plan.

At present, China's economy is developing in a good direction, providing more favorable opportunities and conditions for deepening reform. Provided we know how to judge the hour and size up the situation, control and handle well the relationships between reform and development, between reform and economic rectification, and between reform and social stability, we will be able to achieve new, effective progress on the road of reform. We should rouse our spirit and carry out the work of reform better, more vigorously, and with more initiative.

Universities Assist Returning Students

OW1505094691 Beijing XINHUA in English
0814 GMT 15 May 91

[Text] Beijing, May 15 (XINHUA)—Chinese universities and colleges are continuously improving the living and working conditions for students who have returned home after completing their study abroad, "PEOPLE'S DAILY" reported today.

The Beijing Medical Sciences University helps returned students who want to work in the university apply for research funds and offers them better housing.

Zhengzhou University, the top university in Henan Province, has sent 136 students abroad to study since 1985. While keeping in contact with the students, the university tries to help them with the difficulties they encounter while abroad, and entrust people who travel abroad on business to visit them.

According to the overseas edition of the paper, many of the students who have returned home from abroad have made great contributions to their motherland.

The returned students at the China Mining Institute have opened 13 new courses, published 206 papers, compiled teaching materials for 33 courses and completed 95 research projects over the past ten years.

Of the 987 students sent abroad by Shanxi Province over the past decade, 402 have completed their courses and returned.

According to statistics, 297 were awarded middle and senior professional titles, 60 were promoted to leading posts and seven have become state class experts because of their contributions to the development of the country.

Leaders Inscribe Monument to Soil Specialist

SK1505002491 Jinan Shandong People's Radio
Network in Mandarin 2200 GMT 13 May 91

[Excerpts] On 12 May, Lingxian County sponsored a commemoration meeting to mark the 20th anniversary of the scientific research program initiated by the Academy of Agricultural Sciences in Lingxian County and the 15th anniversary of the establishment of the experimental zone for improving farmland in the county, as well as to commend the scientific and technological personnel who made marked contributions to carrying out development in the county. [passage omitted]

In order to commemorate Mr. (Wang Shoucun), a noted national soil and manure expert who gave all his life to the undertakings for improving saline-alkali land and who made great and important contributions to the economic development of Lingxian County, the county party committee and people's government, in response to the desire of the people across the county, built a monument to (Wang) in the Lingxian experimental zone of the Academy of Agricultural Sciences. Leading comrades of the central authorities and at the provincial and prefectural levels wrote inscriptions for Mr. (Wang Shoucun). The inscription of Song Ping, member of the Standing Committee of the CPC Central Committee Political Bureau, reads: "The Pattern of Intellectuals. The inscription of State Councillor Chen Junsheng reads: Learn From Soil Specialist (Wang Shoucun), Strike Root in Rural Areas, Work Cautiously and Conscientiously, and Make Contributions Selflessly.

Unveiling the monument to Mr. (Wang Shoucun) were Hong Fuzeng, vice minister of agriculture, and Lu Hong, vice chairman of the Shandong Provincial People's Congress Standing Committee.

Zhang Ruifeng, vice governor of Shandong Province, attended the commemoration meeting and delivered a speech.

Science & Technology

Li Peng Sends Letter to Technology Meeting

OW1605151291 Beijing Central People's Radio
Network in Mandarin 2130 GMT 15 May 91

[By station reporter (Luo Guangxing); from the "News and Press Review" program]

[Text] The Second National Work Conference on Technology Supervision was held in the Zhongnanhai yesterday morning [15 May]. Premier Li Peng sent a congratulatory letter on the opening of the conference. In his letter, he affirmed the due achievements accomplished by the State Bureau of Technology Supervision and local organs for technology supervision in raising overall quality of China's products, cracking down on the manufacture and sale of counterfeit and low-quality goods, and safeguarding the interests of the large number of consumers since their establishment 3 years ago. The letter says: Like economic supervision and political discipline supervision, technology supervision is an important component part of China's administrative supervision system. I hope you closely center around the target of raising product quality, conscientiously do a good job in supervision and management and in standardization and measurements, and strive to upgrade the quality China's products to a new level in the 1990's.

Vice Premier Zhu Rongji attended the opening ceremony and said: it is a very pressing need to improve the economic efficiency of the state-run large and medium-sized enterprises. He pointed out: Under the circumstances in which some counterfeit and poor-quality products are harming the consumers' interests, quality control and technology supervision are very important. Even when the product quality is maintained above level, technology supervision should still be continued.

In his speech at the opening ceremony, State Councillor Song Jian asked the large number of workers on the technology supervision sector front to concentrate on the combination of the planned economy with market regulation and on product quality, variety, and efficiency, and make contributions to strengthening centralized supervision and management and to establishing a system of technology supervision with Chinese characteristics.

Song Jian, Others Attend Talks

OW1605151691 Beijing XINHUA Domestic Service
in Chinese 1228 GMT 15 May 91

[By reporter Tang Hong (0781 5725)]

[Text] Beijing, 15 May (XINHUA)—The Second National Work Conference on Technology Supervision was held in Beijing today. Premier Li Peng sent a letter to the conference, affirming the State Bureau of Technology Supervision's achievements in cracking down on the manufacture and sale of counterfeit and low-quality goods and in safeguarding the interests of the large number of consumers over the past 3 years since its establishment (the full text of his letter is transmitted in a separate dispatch) [insertion in parentheses as received]. Vice Premier Zhu Rongji and Song Jian, state councillor and minister in charge of the State Science and Technology Commission, attended the opening ceremony.

Song Jian said at the conference: Influenced by excessive economic growth and other factors, the quality of some Chinese industrial manufactured goods has deteriorated. In

view of this problem, the State Bureau of Technology Supervision and department concerned have enacted a series of laws and regulations; conducted spot-checks, general checks and evaluations of product quality; and introduced the system of issuing manufacturing permits to raise overall product quality. These efforts undoubtedly have exerted a positive function in raising product quality.

Song Jian submitted three proposals on future technology supervision work: 1) New spheres and methods of work should be sought and created in technology supervision to make it fit in with the economic system and mechanism resulting from the combination of planned economy and market regulation. 2) The technology supervision sector should stress the improvement of product quality, variety, and efficiency and do a good job in the basic work of standardization and measurements, so as to upgrade the level of scientific research in technology supervision. This is the foundation of all work. 3) The technology supervision sector should continue to crack down on counterfeit and low-quality goods in the course of the economic rectification and improvement drive. It should select some key areas in accordance with the actual conditions, make a breakthrough in the work, and make new contributions to safeguarding consumers' interests.

This conference was called by the State Bureau of Technology Supervision. The conference will define the next objectives, missions, and measures for technology supervision work after summing up experience and affirming achievements, as well as mobilize the large number of workers on the technology supervision sector front to make new contributions to further strengthening technology supervision and thoroughly launching the campaign of the "year of quality, variety, and efficiency."

Satellite Launchings Planned for Foreign Clients

OW0505024291 Beijing International Service
in Mandarin 0900 GMT 4 May 91

[Text] China's astronautical technology ranks among the advanced in the world. The Great Wall Industry Corporation, with the backing of a strong astronautical industry, is the window China has opened to the outside world for providing satellite-launching service to foreign clients.

Now, China's astronautical departments are well prepared to launch three foreign satellites in the next few years. Of the three satellites, two are Australian telecommunications satellites manufactured by the Hughes Aircraft Company of the United States which will be launched by China's recently developed Long March II cluster rocket. These two satellites were originally scheduled to be launched this year and in the fall of 1992 respectively, but the schedule was postponed at the request of the satellites' manufacturer. Now, the Chinese and American sides have agreed that one satellite will be launched between March and May next year, and the other between August and October.

The third satellite is a Swedish solar synchronous-orbit telecommunications satellite [tai yang tong bu gui dao you dian wei xing], which will be carried piggyback and placed in orbit in 1992 or 1993 when China launches its own satellite via a Long March II rocket.

China's astronautical launching technology entered the international market after it successfully launched the Asia-sat-1 satellite in April 1990. Presently, China's Great Wall Industry Corporation is adjusting its development strategy. It has submitted bids offering satellite-launching services to over a dozen countries and regions, including the United States, Britain, Italy, Japan, and South Korea. In the long run, China's astronautical technology will definitely capture the international market.

Remote Sensing Satellite Helps Map Makers

OW1305080691 Beijing XINHUA in English
0701 GMT 13 May 91

[Text] Beijing, May 13 (XINHUA)—A series of 1:200,000 maps of land resources in Shaanxi Province, northwest China, drafted with the help of satellite remote-sensing technology have passed state appraisal, "PEOPLE'S DAILY" reported here today.

The leading national newspaper reported that in compiling the maps of remote-sensing geology and mineral forecasts, experts have made some discoveries, including a number of gold and copper deposits.

The two-year compilation project, involving 158 experts, marks a turning point in remote-sensing technology from applied research to large-scale application.

The maps include satellite pictures, land use, geology, mineral forecasts, natural disaster distribution and ecological environment information.

The paper said that this marks the first time in China that remote-sensing technology has been used in comprehensive evaluation of ecological environment on a provincial level.

Scientists Help Avoid Economic Losses

OW1605095191 Beijing XINHUA in English
0731 GMT 16 May 91

[Text] Beijing, May 16 (XINHUA)—As scientists have greater say in decision making, the country has sustained less economic losses in economic development.

An official from the Chinese Association for Science and Technology (CAST) made this statement as he announced that 29 suggestions made by scientists were awarded top prices.

These "remarkable suggestions" have brought about "tremendous economic and social benefit," he said.

The Chinese Society of Metals, for instance, offered over 5,000 suggestive ideas to relevant departments for

working out the country's strategy for iron and steel industry during the past few years, and most of them have been adopted.

A proposal made by the Chinese Society of Space Research concerning a meteorological satellite not only improved the satellite's functions, but also saved the country several hundred million yuan at the same time.

As a non-governmental organization, the CAST has mobilized its 159 affiliated national societies and their several million members to offer advice and conduct feasibility studies on the country's various important projects, the paper said.

In Shanghai, the campaign involved over 7,000 scientists with 480 advisory reports, saving 340 million yuan through enhanced economic efficiency.

Scientists also benefited the country in its efforts to reduce natural disasters by offering timely and accurate forecasts and predictions.

A report, predicting 10 kinds possible natural disasters in China in the near future and outlining counter-measures, was highly praised by the State Council recently, the official said.

Now many local governments have made it a rule that no major investment and construction projects should be submitted for approval until thorough feasibility studies have been made by experts.

Military

Electromagnetic Warfare Discussed

HK1605134391 Beijing JIEFANGJUN BAO
in Chinese 26 Apr 91 p 4

[Article by Kang Xiangzhen (0073 7309 4394): "'Electromagnetic Domination' and Initiative in War"]

[Text] Proceeding from early geopolitics, Hanford Mac-kinder, Giuho Douhet and Alfred Mahan became very famous by setting forth the "land power," "air power" and "sea power" theories at a time when science and technology were not so developed. With the development of electronic technology today, the specter of war has spread all over outer space, while no arms and equipment can escape the monitoring of electronic warfare systems. The domination of the electromagnetic spectrum has become the precondition for land, air, and sea command. He who has electromagnetic domination has gained the initiative in war.

1. Regarding its most basic implication, electronic warfare is confrontation in domination of electromagnetic spectrum. It started to bud in the early 20th century, and found expression chiefly in telecommunication confrontation. Considerable progress was made in the electromagnetic spectrum during World War II because of the employment of aircraft and radar; however, it remained

in the "cloak and dagger" category, playing no very decisive role in the war. Since the end of World War II, such contemporary sophisticated technologies as integrated circuits, electronic computers, data processors, and phased-array antenna have injected new vitality into the electromagnetic spectrum, while developing from interferences and interception of low-frequency telecommunications to the confrontation of such spectrum in high-frequency bands as infrared, visible spectrum, and ultraviolet ray. The two sides at war apply such technological equipment as electronic eyes and computers to reconnoiter, search, distinguish, locate, and monitor the opponent's targets, and to subdue enemy troops with automatic commanding equipment and arms with electronic guidance, or to conduct electronic interference and defensive aiming at the characteristics enemy electronic equipment to deceive arms guidance systems, resulting in the paralysis of the enemy's central nerve system, interruption of command, failure in monitoring, and loss of control over arms with guidance systems; thus landing the enemy in a passiveness vulnerable to attack due to consequent blindness and deafness.

In the early phase of the Vietnam war, U.S. aircraft were frequently downed by Vietnamese anti-aircraft guided missiles, but once the U.S. army magnified its measures for electronic warfare, Vietnamese missiles' percentage of hits fell continually, from an average of 13 surface-to-air guided missiles to one U.S. aircraft downed in 1965 to 33 in 1966, 55 in 1967, and 84 in 1972.

Right from the very start of the third Middle East war in June 1967, Israel used comprehensive electronic interference on Egyptian troops; consequently, the latter's radar went awry, with their command system going out of order. As a result, most of the Egyptian anti-aircraft missiles and airfields were destroyed in a single action. In the fourth Middle East war six years later, the Egyptian army was equipped with the USSR SAM-6 surface-to-air guided missiles, while adopting new measures against electronic interference; consequently, 104 Israel aircraft were downed in the first few days. In June 1982, the Israeli military found out about the electronic warfare system of SAM-6 guided missiles and augmented its corresponding countermeasures; thus with extremely small cost, the Israeli army destroyed 19 of Syria's SAM-6 guided missile positions in the Bakaa plain, while downing 81 Syrian aircraft.

In the latter half of the 1980's, the application of electronic confrontation became all the more eye-catching in partial wars. It took the U.S. army only 18 minutes in its second air raid on Libya in 1986, when electronic warfare was conducted in the very first six minutes, with a four-to-one ratio between electronic warfare aircraft and fighters. That was unprecedented in the world history of war. Especially in the just-concluded Gulf war, the multinational troops headed by the United States enjoyed electromagnetic domination all through

the war; consequently, the command and telecommunication systems and various arms with guidance systems were gravely interfered with, making effective counter-attack out of the question.

It has become a common understanding of the armed forces of various countries that electronic warfare is not to be played down.

2. The development of electronic warfare has gone through a process of elevation from practice to theory. From the experiences and lessons drawn from contemporary partial wars, people arrive at the following conclusions: Electronic warfare's role has already gone beyond the arena of insuring combat, becoming an important component of campaigns and battles and a way of combat action, as with land, sea and air action. The revised USA [United States Army] land force "Program for Action" classifies electronic warfare into two categories, offensive and defensive, while requiring that electronic warfare "be included in a unified operational plan," "while drawing up an operational plan, the commander should treat electronic warfare means as he does artillery arms." The Soviet Army has attached equal importance to electronic warfare, and stresses that "the seizure of superiority of electronic warfare has become an important factor to the victory of land, sea and especially air actions."

Presently, the land, sea and air forces of the United States, the USSR, and developed countries are equipped with special aircraft and warships for electronic warfare as well as powerful electronic warfare troops. In the mid-1970's, the establishment of specialized electronic warfare aircraft accounted for one-third of the volume of bombers of air force divisions. As to the categories and volume of modern electronic warfare equipment, the eye cannot take them all in. The long-stride development of technology and equipment has resulted in the constant changes in the means of confrontation, thus promoting the maturity of tactical and campaign theories with a catalytic reaction of war practice.

Modern warfare is one of the merger of the offensive and defensive, the interweaving of operations on internal and external lines, and the combination of land, sea and air forces into an organic whole. Coordinating the close cooperation of various services and arms of services in operation to set a flexible integral attacking force at work is the key to victory. Electronic warfare systems play an irreplaceably important role in this arena. Although the modern command system with state-of-the-art high technology as its pillar cannot replace man's wisdom and commanding art, it may rely on the C3I [expansion unknown] system consisting of reconnaissance and telecommunications satellites and aircraft for warning, control and command to instantly formulate, based on the changing conditions on the battleground, a very well-knit operational plan, which is conducive to highly concentrated and unified command, while giving full play to the initiatives and creativeness of commanders at various levels. Today, the combination of electronic technology

and the soldier's subjective initiative has turned our forefathers' dream of "sitting within a command tent and devising strategies that will assure victory a thousand li away" into a reality.

Taking the enemy by surprise, striking where or when the enemy is unprepared remains the way to win victory in contemporary warfare, which, however, cannot but be restricted by such objective conditions as terrain, weather, quick-response capability and the opponent's electronic monitoring. The side enjoying electromagnetic domination employs means of electronic warfare to obtain information of all sorts about the enemy and to do its best to suppress and interfere with the other side's capabilities for electronic counterattack to make the enemy blind and deaf, thus achieving surprise attack in a strategic campaign. Even in the course of war, means of electronic warfare are usually adopted to interfere with and perplex the opponent's reconnaissance and warning systems, make a feint in a strategic campaign to cover the amassing of ones' forces and arms, while launching a sudden attack at a time and place of surprise to the enemy. The third and fourth Middle East wars repeatedly evidenced the fact that under contemporary conditions, electromagnetic domination is imperative to achieve surprise in war; likewise, to defeat the enemy's surprise attack, corresponding capability for electronic counterattack is imperative.

3. The contention over electromagnetic domination has resulted in many new changes in war theory. This being the case, in applying precedent war theories to practice, it is primarily necessary to pay attention to the environment of electronic confrontation between the two sides in thinking of one's own operation. Forgetting this point will inevitably result in the divorce of operational guidance from the battleground's reality. For example, the principle of concentrating forces is beyond a doubt applicable to the side enjoying electromagnetic domination, but to the side being inferior in electronic confrontation, the blind application to the doctrine of "concentrating forces" is a synonym to "gathering to come under attack." Take another example, the doctrine of "fighting at close quarters at night" would only suffer defeat should traditional experiences be followed without taking into consideration the electronic confrontation factor.

Victory can hardly be won by relying on a single service or arm of a service in contemporary warfare; only by giving play to the advantages of all services and arms of services in a comprehensive way to form into integrated combating effectiveness will be the gist to victory. The power of electronic war lies precisely in its capability for promoting the rallying of one's own forces, while disintegrating the enemy's combined forces. Many countries have come to see this point, while developing electronic technology in a big way to transform their existing equipment instead of renovating arms and equipment in a comprehensive manner. Practices of partial wars show

that the transformation of some equipment with electronic technology is capable of overawing one's opponent by displaying its strength. This is an economical and time-saving way to build a modern army.

Theory on Party Building Studied

HK1605013391 Beijing JIEFANGJUN BAO
in Chinese 24 Apr 91 p 3

[Article by Kang Shijian (1660 1102 0256): "Earnestly Study Marxist Theory on Party Building"]

[Text] This year is the 70th anniversary of the founding of our party. After summing up the experiences and lessons of our party's long-term construction and of the international communist movement, the party Central Committee with Comrade Jiang Zemin as the core called on the whole party to be determined to step up the study, publicity, and dissemination of Marxist theory on party building, profoundly carry out party education, and concentrate attention on doing a good job of party building. We should actively answer the party Central Committee's call to conscientiously study well Marxist theory on party building and do a good job in party organization.

Stepping up the study of Marxist theory on party building carries special significance.

First, conscientiously studying the theory on party building is urgently needed to uphold the fundamental principle of "the party commanding the gun." Our army is a highly centralized and unified armed body under the leadership of the CPC. Party organizations at all levels in the army are the "central system" of "the party commanding the gun," assuming the heavy responsibility of maintaining and safeguarding the party's absolute leadership over the army. Consequently, all hostile forces view our armed forces, particularly the party organizations at all levels in the army, as an obstacle to their promotion of "peaceful evolution" in China. They negate the principle and system of "the party commanding the gun" and disseminate the theory of "separating the party from the army" in an attempt to nullify the party's leadership over the army and change the qualities of our people's army. To triumph over this challenge, we must conscientiously study Marxist theory on party building and, in line with that theory, gain an insight into the erroneous nature of the theory of "separating the party from the army," and make clear the necessity of the party's leadership over our army and the consistency of the party's and state's leadership over the army, thereby unswervingly implementing the principle of "the party commanding the army" under all circumstances.

Second, conscientiously studying the theory on party building is urgently needed to improve the leadership level of party organizations at all levels. In the past two years, many leading bodies have been readjusted and many cadres have taken up new leading posts. In the new work posts, they are bound to encounter many new problems and situations which urgently need guidance with theory. An effective way to increase theoretical understanding and improve the leadership level is to study well Marxist theory, particularly the

theory on party building. This is because the theory on party building reflects the law governing party leadership and scientifically expounds a series of principles, systems, and methods of party leadership. Studying well and mastering this branch of science will enable leading cadres at all levels to expeditiously adapt to new environments and tasks; help new leading bodies consciously uphold the principle of democratic centralism and collective leadership and make scientific and democratic decisions in the leadership work of party committees; and make it easier for party organizations at all levels to correctly understand and master the law governing party committees' work under the new situation and bring into full play their role as the core leadership in leading the modernization of troops. **Third, conscientiously studying the theory on party building is urgently needed to build up party organizations themselves at all levels.** To strengthen party building at all levels, the Central Military Commission has put forward "eight-character" demands meaning "study, unite, be honest, and seek truth." Of these, study is placed first. Study includes the study of theory on party building. We must integrate well the study of theory on party building with the practical reality of party building in army units. This is the reflection and demand of the law governing the building of party organizations at all levels in the army under the new conditions. Practice shows that it will be difficult to do a good job in building party organizations in accordance with the "eight-character" demands of the Central Military Commission if we merely rely on good wishes and limited experience, and that by conscientiously studying well the theory on party building and realistically implementing it in all fields of endeavor we can achieve good results in party building.

Moreover, studying well the theory on party building is also quite advantageous to improving party members' cultivation of party spirit, enhancing the consciousness of being "public servants," doing a good job in building party spirit, enforcing discipline, and so on.

What should we do to study well the theory on party building? From my personal experience of study I feel that we should pay attention to the following three aspects:

1. Make sure of the theoretical system of party organization and study it systematically. The theory on party building reflects the law governing the birth, development, and building of the revolutionary political party of the working class; it is the theory or doctrine with which the party leads the people in seizing and consolidating political power and conducting socialist construction. Its basic principles consist of the historical necessity and the subjective and objective conditions of establishing a proletarian political party; the party's nature and theoretical basis; the party's program, strategies, and tactics; the party's ideological and theoretical building as well as ideological and political work; the party's organizational principles and discipline; the building of party leaders, party cadres and the contingent of party members; the party's mass line and the building of party spirit; the party's unity and inner-party struggle; the party's leadership position and role in revolution and construction;

inter-party relationships and the principle of internationalism; and the like. These principles scientifically answer such basic questions as why a political party has to be set up in a proletarian revolution, how to build a party, and how the party achieves its leadership function. When conscientiously studying the theory on party building, we should systematically study and master these principles. Moreover, we should also integrate and blend into one the study of theory on party building with that of other basic theories and the party's line, principles, policies, and fine traditions and styles. Only in this way can we have a comprehensive grasp, achieve mastery, and lay a solid theoretical foundation for doing a good job of party building in the army.

2. Study in close association with actual struggle. The theory on party building has been produced, formed, and developed amid struggle inside and outside the party. Therefore, studying the theory on party building in actual struggle is an important route to study. At present, it is particularly necessary to thoroughly overhaul, and thrash out the rights and wrongs of, the basic theoretical issues that have been mixed up by the ideological trend of bourgeois liberalization. For example, on the party's nature, we should criticize erroneous statements on transforming the party into an "all-people party" or an "elite party" and affirm the nature of the party as still being the vanguard of the working class under the new conditions; on the party's program, we should discern the erroneous nature of the so-called theory of "socialism and capitalism tending to the same character" and strengthen our conviction regarding socialism and communism; on the party's guiding ideology, we should negate the so-called theory of "Marxism being outdated" and persist in taking Marxism-Leninism-Mao Zedong Thought as the party's guiding ideology; on the party's position and role, we should criticize the fallacy of "playing down the party's leadership" and practicing a "multiparty system" and uphold and strengthen the party's leadership; on the party-army relationship, we should struggle against erroneous statements on "separating the army from party and politics" and strengthen the concept of "the party's absolute leadership over the army"; on the party's organizational principles, we should criticize the theories of "elitist politics" and "legitimacy of inner-party factions," oppose extreme democratization, uphold and perfect democratic centralism, invigorate democratic life within the party, and so on. Only by studying in association with actual struggle can we improve the study of the theory on party building.

3. Study in conjunction with the reality of building leading bodies and leadership work. We should consciously use the theory on party building to guide party building and examine the level of theoretical study in leading bodies by actual results. For example, in light of the problems in party committees' building and leadership work, we should diligently study the principle of democratic centralism and correctly uphold the responsibility system of division of labor for senior officers under the collective leadership of party committees; in light of the characteristic that members of a leading body come from all corners of the land, we should study and use the principles of inner-party unity and struggle, and of cultivation

of party spirit so that a "leading body" can become a fighting collective working in concert; with respect to problems of party spirit, we should study and use such principles as the building of party spirit to establish the image of being upright and honest, seeking truth, and forging ahead; with respect to problems in the party-masses relationship, we should strengthen the study of the party's mass viewpoint and mass line, and maintain close ties between the party and the masses, between officers and the rank-and-file, and between higher and lower levels. Only by practice and by proceeding from reality can we study well the theory on party building.

Economic & Agricultural

Statistics Show Normal Growth, Warn of Inflation

OW1705090591 Beijing XINHUA in English
0749 GMT 17 May 91

[Text] Beijing, May 17 (XINHUA)—Latest government statistics show that China's economy as a whole has basically returned to normal growth as evidenced by progress in industrial production, retail sales and foreign trade as well as a resurgence in investment and spending. In April, industrial production jumped 12 percent to 197 billion yuan, with daily output rising 7.5 percent over the previous months.

Thus, in the first four months of this year, the industrial output totalled 711.4 billion yuan, up 13.2 percent on the same period last year.

April's retail sales totalled 77.9 billion yuan, up 16.7 percent over the year-ago level.

In the first four months, investment on fixed assets by the state-owned enterprises went up to 34.5 billion yuan, up 13.8 percent over the same period last year.

In the breakdown, investment on capital construction grew 13.4 percent to 25.2 billion yuan.

Statistics also showed that major capital construction and technical renovation projects have numbered 4,750, an increase of 2,266 over the same period last year.

However, the statistics show serve as a warning that inflation is making a comeback with economists predicting another rise of prices in May.

Market Remains Stable Despite Price Hikes

OW1605132791 Beijing XINHUA in English
1314 GMT 16 May 91

[Text] Beijing, May 16 (XINHUA)—The State Statistics Bureau announced today that despite recent increases in the price of grain and edible oil, China's markets remain stable and retail sales continue to rise.

According to a bureau official, April retail sales exceeded 77.9 billion yuan, an increase of 16.7 percent over the figure

for April 1990. Grain sales increased by 86.5 percent, while sales of edible oil increased by 120 percent, he said.

He said that while prices were basically stable in April, living expenses in 35 cities increased by 4.5 percent over the same period of last year, but were 1.1 percent lower than the previous month.

However, he added, the price index is expected to rise in May because the government raised the price of grain and edible oil in April.

Statistics further show that living expenses in 35 cities jumped by 5.6 percent during the first four months of 1991 as compared with the same period last year.

Referring to the price increases, the official said that the government has achieved desired results from the price increase for grain and edible oil, and the policy was supported by most people.

A recent survey of over 283 people by a survey team in Heilongjiang revealed that 51.6 percent of the people supported the policy, while 23.2 percent disagreed, and 25.1 percent were neither for nor against the move.

The official explained that most of those who support the policy are government officials and intellectuals. They regarded the move a measure to deepen the reform, and feel that it will help to develop the economy. Those who oppose the move are mostly individuals with large families to support and who have some sort of financial problems.

The government chose an opportune time to readjust prices since China had just recorded successive bumper harvests, and has a sufficient supply of various commodities, and thus the price increase had little impact on the domestic market, according to the official.

Chen Junsheng Attends Grain Reserve Meeting

OW1705013291 Beijing XINHUA Domestic Service
in Chinese 0806 GMT 14 May 91

[By XINHUA reporters Jiang Jun (1203 6511) and Meng Zijun (1322 1311 0689)]

[Text] Tianjin, 14 May (XINHUA)—The national grain reserve work meeting opened today in Tianjin. Chen Junsheng, state councilor, head of the leading group for the special grain reserve, pointed out at the meeting that, although the special grain reserve system has not been in force for long, it has already shown its superiority, and will be further improved upon for continuous implementation.

Chen Junsheng pointed out that the State Council decided to establish the state special grain reserve system last September, and in the eight months that followed, the special grain reserve system proved to have at least four areas of actual advantages:

1. It is effective in maintaining the peasants' production initiative, especially the production initiative of major grain production areas. Last year, the state special grain

reserve exceeded the original planned target and broke the 25 billion kilograms mark, this has significantly eased the peasants' difficulties in selling grains. Peasants in Hebei Province said that the system has warmed their hearts, put their mind at ease, and they hoped that the system would be continued in the future.

2. It is useful for getting prepared against natural disasters, and for adjustment between lean and bumper harvest years. China's market, prices, and society are now stable, one of the major contributing factors is the ample supplies of food grain and nonstaple foodstuffs. The appearance of long lines to buy grain following the recently introduced grain price reform lasted only a short while before it cooled down, and cadres at all levels were not at all worried, as there was sufficient grain in stock.

3. It is beneficial in fostering closer ties between the people's government, the food grain departments, and the broad masses. The special grain reserve system has an important effect in meeting the peasants' reasonable demands in grain sales; enhancing popular trust in the people's government; and the fostering of closer ties between the party, the people's government, and the broad masses.

4. It is useful in strengthening the state's macrocontrol over food grains. With control over a certain quantity of grain, the state may bring the effect of macrocontrol to play in regulating the market's excess and scarcity of supplies, and in stabilizing market prices.

On improving and perfecting the special grain reserve system, Chen Junsheng said: Due to the state's financial constraints and shortage of storage capacity, it seems impossible for the state to purchase all excess grain from the peasants. We may consider changing procurement under the special grain reserve system from unlimited purchase to fixed quantity purchase starting this year, the size of the purchase being decided by the state. After fulfilling the state procurement's and the special reserve's target, excess grain would be channeled into the market. The special grain reserve system should primarily protect the major food grains production areas, as the difficulties in selling grains and the problem of stockpiling are largely concentrated in major grain production areas. The policy to establish a minimum protected price for special grain reserve purchase is well supported by the peasants, and it will be continued in the future. All localities are not allowed to retain any amount of money from the handling of grain for special reserve so that the peasants can actually enjoy the benefits given to them under the state special reserve system.

Chen Junsheng said: A multitiered grain reserve system, with the state reserve as the center, should be gradually developed in the future, the system should include the three levels of state reserve, regional reserve, and the peasants' own reserve. A system should be formed at the regional reserve level whereby all provinces, counties, villages, and towns will each maintain a certain level of reserve.

Petrochemical Facility Contracts Signed

HK1105042091 Beijing CHINA DAILY in English
11 May 91 p 2

[By staff reporter Zhang Yuan]

[Text] China has taken an important step toward its goal of doubling the country's ethylene output to four million tons a year with the signing of two draft contracts with three Western companies this week, in the Great Hall of the People.

The China National Technical Import and Export Corporation and the British Snamprogetti Ltd yesterday signed a \$168.9 million contract for the 140,000-ton Xinjiang Ethylene Complex, which will be the biggest petrochemical project in Northwest China.

The Snamprogetti company, defeated competitors from Italy, Spain, the United States and Japan, to win the contract because of its "advanced technology, reasonable price and preferential conditions" and will supply the Xinjiang ethylene project with technology and equipment.

Tomur Dawamat, chairman of the People's Government of the Xinjiang Uygur Autonomous Region, hailed the agreement as "the first successful co-operation between Xinjiang and Britain".

He said he hoped that more British and other foreign investors would explore a wider range of economic co-operation in the region. Xinjiang would give them preferential treatment.

Dawamat said that the project, which had been in negotiation since 1988, had been getting strong support direct from Chinese Premier Li Peng.

Final contracts will be completed a month from now and the plant should be in trial operation within 39 months.

The Xinjiang Ethylene Complex is at Dushanzi, Karamay City and the city, with annual output of seven million tons, is the biggest oil production centre in Northwest China.

It is one of China's 14 key petrochemical projects in the Eighth Five-Year Plan period (1991-95) and will play an important role in the vigorous development of the economy of Xinjiang, a place with many minority nationalities, he said.

Cui Guangyao, deputy chief of the project, told China Daily that it will enjoy good supplies of raw material. The Dushanzi Oil Refinery, with a history of 55 years in production, processes 3.3 million tons of oil a year.

Its future looked bright due to abundant oil production in the Karamay oilfield and with rich oil reserves in the Tarim Basin.

The project, jointly funded by the China National Oil and Natural Gas Corporation and the Xinjiang region, will be able to turn out more than 300,000 tons of plastic, rubber and organic chemical materials.

Attending yesterday's signing ceremony were Chinese Premier Li Peng and Ismail Amat, minister in charge of the State Nationalities Affairs Commission.

On Thursday, the China National Technical Import and Export Corporation (CNTIC) signed a contract with the Italian TPL Company and the KTI Company of the Netherlands.

The two Western companies will be responsible for supplying technology and equipment to the 115,000-ton Beijing Ethylene Project.

Li Jianchun, deputy manager of CNTIC, said the project should help to ease the ethylene shortage in Northern China.

East Region

Anhui Standing Committee Meeting Ends 7 May

OW1605204191 Hefei ANHUI RIBAO
in Chinese 8 May 91 p 1

[Text] The 23d session of the Seventh Provincial People's Congress Standing Committee ended on 7 May, with Chairman Wang Guangyu presided over the meeting.

The meeting adopted "Administrative Regulations of Anhui Province Governing Collecting Fees," approved the decision of "Administrative Measures of Huhe City Concerning Urban Environment and Public Health," and the resolution concerning further implementing "the Law Governing State-Owned Industrial Enterprises." The meeting also adopted the resolution concerning the acceptance of resignation of Zhu Jingben as a Standing Committee member of the Anhui Provincial People's Congress.

In the past few days, deputies conscientiously examined in group meetings and joint group meetings the provincial government's reports on the implementation of the "Law Governing State-Owned Industrial Enterprises" and "Regulations of Anhui Province Governing the Protection of Consumers' Legal Rights." They said that in the past two years, the province has done much work and achieved results in carrying out the "Law Governing State-Owned Industrial Enterprises." Since propaganda and education on the law were not carried out extensively or thoroughly, however, some cadres, workers, and staff members still do not quite understand the importance and functions of the law. They pointed out that the law is a basic one with important significance by which to ensure the consolidation and development of public ownership economy, safeguard the legal rights and benefits of enterprises, enhance vitality of enterprises, and promote socialist modernization. It is necessary to continue to carry out the propaganda campaign so as to enhance the people's understanding of the law and their conscientiousness in implementing it.

People's governments at all levels, as well as departments and enterprises concerned, should consider carrying out the law an important job. Governments at all levels and departments concerned should create a favorable environment for enterprises and resolutely stop unjustified financial levies, service charges, and fines so as to reduce their burdens. Deputies said it is imperative to give priority to strengthening the leadership of enterprises and raising the quality of leaders and overall level of enterprises. Further efforts should be made to improve the contract management responsibility system, strengthen enterprise management, and promote the spirit of hard work and running enterprises through thrift and diligence.

Deputies held that provincial people's government and departments concerned had achieved marked results in protecting legal rights of consumers and won the support and welcome of the people by carrying out "Regulations

of Anhui Province Governing the Protection of Consumers." The regulations have not yet been given full publicity among the people. As a consequence, fake and inferior commodities continue to appear on the market. In addition, corruption among workers and staff members of some industrial and commercial departments is rather flagrant. It is necessary, they pointed out, to take various measures to strengthen propaganda work on regulations, in a bid to continue to enhance the self-conscientiousness of the responsibility borne by production and management units toward consumers and strengthen people's sense of law and thereby know how to protect their legal rights by applying the regulations. We should combine the work of giving full publicity to the regulations and dealing with complaint cases with that of strengthening industrial and commercial administration and management. We should combine the work of dealing with fake and inferior commodities with that of launching "the Year of Quality, Variety, and Efficiency" campaign to promote product quality. We should integrate people's supervision with supervision by public opinions. We should combine the work of dealing with illegal business operation with that of appraising legal businesses and fine services. Efforts should be made to enhance the building of consumer associations at all levels and further bring their role into play. We should strengthen professional and moral education among workers and staff members of industrial and commercial departments so as to correct poor trade practices, strengthen clean government construction, and truly establish the ideology of serving to the people.

Vice Chairman Zheng Rui of the Provincial People's Congress Standing Committee presided over the 7 May plenary session. Attending the meeting were Ying Yiquan, Kang Zhijie, Chen Tingyuan, Chen Tianren, and Tu Hongben. Attending the meeting as observers were Vice Governor Wu Qichang of the Provincial People's Government and Chief Procurator Feng Jianhua of the Provincial People's Procuratorate.

Fujian Checks Illegal Emigration, Smuggling

HK1505122091 Hong Kong WEN WEI PO
in Chinese 14 May 91 p 4

[Report by staff reporter Shen Hung-fei (3088 1347 5481): "Fujian Adopts Stern Measures to Stop People From Sneaking Into Taiwan"]

[Text] Fuzhou, 13 May (WEN WEI PO)—Fujian's coastal areas have recently taken unified action to sternly attack the activities of smuggling and illegal emigration to Taiwan. The Fuzhou people's government recently issued a strongly worded circular, pointing out the serious activities in the coastal areas of smuggling and illegal emigration to Taiwan, urging the inhabitants to report on those engaged in smuggling, setting a deadline for the smugglers to surrender to the government organs, and imposing strict restrictions on personnel from other localities from staying in Fujian's coastal areas. The circular of the city people's government also warned that

those engaged in illegally emigrating people to Taiwan will be sentenced to reform through labor. It has been reported that those who illegally emigrate to Taiwan will be fined 500 yuan or will have to receive education when they are caught. The city government's circular has been posted in all parts of Fuzhou downtown.

According to news disclosed, the Fuzhou authorities recently organized party and government cadres, public security personnel, armed policemen, and militia from along the coast to conduct surprise inspection. A total of 118 people who attempted to illegally emigrate to Taiwan have been arrested. Fuzhou's frontier guards recently cracked 11 smuggling cases and arrested 50 people who planned to illegally emigrate to Taiwan and at the same time caught 28 people who intended to sneak into Taiwan but escaped previously. Pingtan's frontier guards arrested a ringleader engaged in illegally emigrating people to Taiwan, confiscated 40 tons of goods to be shipped to Taiwan for illegal trade, and detained 28 people. Jin Nengchou, deputy secretary of Fuzhou party committee, and other leaders personally went to Changle, Pingtan, and other coastal counties, where smuggling was serious, to supervise work.

Central-South Region

Guangxi Secretary Receives CPPCC Vice Chairman

HK1605012791 Nanning Guangxi People's Radio Network in Mandarin 1030 GMT 14 May 91

[Excerpts] During his inspection in Guangxi, Lu Jiaxi, chairman of the Chinese Peasants' and Workers' Democratic Party [CPWDP] Central Committee, vice chairman of the Chinese People's Political Consultative Conference [CPPCC], and vice president of the Third-World Academy of Sciences, pointed out: Bose Prefecture's application to establish an economic development experimental zone intended to help the poor through science and technology is in effect a good opportunity for Guangxi. The autonomous regional authorities should grasp this opportunity, fully understand the urgency, arduousness, and protractedness of establishing such an experimental zone, and formulate a clear-cut guiding ideology in this regard. They should map out practical and feasible plans, properly analyze regional superiorities, take both national and international situations into account, and strive to develop local advantages.

At the invitation of the autonomous regional authorities and the Bose prefectural authorities, Chairman Lu Jiaxi arrived in Guangxi on 3 May.

Accompanied by Chen Huiguang, regional CPPCC committee chairman, and others, the Guangxi-bound CPWDP Central Committee investigation and consultation group headed by Lu Jiaxi inspected the (Pingguo) aluminum production base, Guangxi Dahua Chemical Plant, No. 20 Middle School of Bose City, Beihai Port at (Xinzhou) Bay, and various other units in Guangxi's Bose Prefecture and coastal areas. [passage omitted]

Wherever it went, the investigation group conscientiously listened to the briefings given by local leaders, investigated and studied local resources, and put forth useful views and proposals. [passage omitted]

On the morning of 13 May, the investigation group held frank talks with regional party and government leaders, including Zhao Fulin, Cheng Kejie, Wang Rongzhen, Long Chuan, and others, in Xiyuan Hotel. During the talks the group members, who had carried out comprehensive investigations, frankly expressed their views and proposals. The regional party and government leaders expressed their thanks to Revered Lu and others for their timely help.

In the afternoon, Chairman Lu Jiaxi went to Guangxi University where he delivered a report to experts and professors from scientific, technological, and educational circles.

Guangxi's Zhao Fulin Inspects 'Poor Remote' Areas

HK1605122891 Nanning Guangxi People's Radio Network in Mandarin 1030 GMT 15 May 91

[Text] According to GUANGXI RIBAO, regional party committee Secretary Zhao Fulin inspected and guided work in six poor remote border counties and cities in Nanning Prefecture and Bose Prefecture, including Ningming, Pingxiang, Longzhou, Daxin, Jingxi, and Napo.

Zhao Fulin stressed: The poor remote border areas must affirm their own achievements, face up to difficulties, sum up experiences, strengthen confidence, seek truth from facts, formulate measures, grasp implementation of measures, and expedite their own pace of eradicating poverty and achieving prosperity.

In the course of his investigation and research, Zhao Fulin often went to rural areas, fortified mountain villages, factories, farms, forestry centers, agriculture and trade markets, and department stores to listen to the proposals and demands advanced by cadres and masses at the grass-roots level. In the fields, he held cordial talks with village cadres and peasants to learn about the local situation and listen to their views. In the villages and fortified mountain villages, he called on peasant households and asked the peasants about their livelihood. Wherever he went, he held forums attended by county or city leaders in order to listen to their reports and discuss and study with them ways to expedite economic development, eradicate poverty, and achieve prosperity in poor remote areas.

During his inspection, Zhao Fulin also visited border outposts and barracks to see and convey greetings and appreciation to officers and soldiers stationed in border areas. He said: The people in remote border areas have lived simply, worked hard, exploited mountains and rivers, and made enormous contributions to and paid a heavy price in building and defending the motherland's frontier. The border areas are old liberated areas and poor mountainous areas whose inhabitants are people of

ethnic minorities. The border areas have a poor basis and lack good conditions for economic development and are also facing enormous difficulties. However, cadres, masses, troops, and people living in the border areas have feared no hardships, have developed the spirit of self-reliance and hard struggle, and have scored hard-won phenomenal results in safeguarding the frontier, resisting the enemy, and building the two civilizations.

Zhao Fulin fully affirmed and spoke highly of the achievements scored by various remote border counties and cities in their economic construction and other types of work since the Third Plenary Session of the 11th CPC Central Committee, especially over the past few years. He urged leading comrades at all levels to make persistent efforts and push further ahead with their economic construction and other types of work and make faster strides in eradicating poverty and achieving prosperity. He said: The next 10 years is an extremely crucial decade. Should we miss the opportune moment and fail to speed up economic construction and change the backward face of poor remote border areas, we would be blamed by history and people.

Zhao Fulin stressed: At present, we must formulate and resolutely implement measures in light of the local conditions and seek truth from facts. To this end, first, all types of work in the poor remote border areas must constantly adhere to economic construction as the center. Under no circumstances should we waver upon this point. Leaders at all levels should work with one heart and one mind, make concerted efforts, and join hands in promoting economic construction. On no account can we further delay economic construction in the remote border areas. Second, while maintaining a steady grain production growth, we must make great efforts to develop a diversified economy and solve the problem of feeding and clothing people. Eradicating poverty, achieving prosperity, developing a diversified economy, and developing township and town enterprises are inseparable from grain production. All poor remote border areas should gradually raise their own grain self-sufficiency rate, buy less grain from outside, work hard for several years, and strive to realize grain self-sufficiency when conditions allow. Third, we must strongly develop township and town enterprises and expand collective economy. Our efforts should especially be centered on developing and expanding village-level collective economy and solving the problem of [words indistinct]. Fourth, we must develop industry in a planned way, concentrate our efforts on developing resource-type industry to turn the rich resources of our mountainous areas into good commodities. In this connection, we should try to combine the efforts of both urban and rural areas as well as the efforts of workers and peasants. Fifth, we must maintain policy stability. Practice has shown the household contracted responsibility system with remuneration linked to output conforms with the present development of our rural productive forces. Therefore, we should continue to adhere to and perfect this responsibility system. In the meantime, we

should strengthen our collective service system [words indistinct]. Those things which peasants are eager to do but incapable of doing should be done under a unified service system. Sixth, we must continue to open up to the outside world and develop external trade. We should firmly seize the present hard-won opportune moment to improve and invigorate our external trade. We should not be satisfied with the status quo of our external trade but should look further ahead, study international market, and master relevant information. Meanwhile, we should also establish efficient lateral economic associations with the hinterland.

In view of the backward education, science, and technology in the poor remote border areas, Comrade Zhao Fulin stressed: We must attach great importance to developing education, science, and technology. We must develop vocational education, run well all types of vocational schools, and train competent local scientific and technological personnel who are willing to go down to the grass-roots level to work and stay there.

After seeing with his own eyes the backwardness and poverty in the remote border areas, Zhao Fulin earnestly urged the leading cadres working at all levels in the poor remote border areas: We must fully understand the urgency and importance of helping the poor and successfully accomplish the arduous task of helping the poor. The help-the-poor policies will not change and cannot be changed. While actively seeking help from the state and various departments concerned, we must continue to develop the spirit of self-reliance and hard work, strive to achieve prosperity, and explore a new road leading toward faster prosperity and an earlier eradication of poverty.

Many poor remote border areas have a big population but limited cultivated land and low per capita income. Their population has also been growing too fast. All these factors have impaired their economic and social development. Therefore, Zhao Fulin called for making redoubled efforts to strengthen family planning and slow down excessively rapid population growth.

Zhao Fulin emphatically pointed out: In order to attain the goals set forth in the eighth five-year plans and the 10-year programs formulated by various poor remote border areas, it is necessary to make great efforts to strengthen party building and the building of leading bodies at all levels. Leading bodies at all levels must remain politically firm and organizationally united, maintain an honest work style, work in a pragmatic manner, strengthen grass-roots organization building, especially grass-roots party organization building, reinforce unifying force, strengthen combat effectiveness, lead the masses to develop production, eradicate poverty, and achieve prosperity.

Southwest Region

Zhang Xuezhong Addresses Tibetan Party Members

OW1605122291 Lhasa Tibet Television Network
in Mandarin 1200 GMT 14 May 91

[Text] On the eve of the 40th anniversary of Tibet's peaceful liberation, the autonomous regional department of industry and electric power held its first meeting on commendations related to party building work. Present at the meeting were Zhang Xuezhong, deputy secretary of the autonomous regional party committee, and Wang Hailin, vice chairman of the autonomous regional committee of the Chinese People's Political Consultative Conference. The two leaders awarded prize banners and prize certificates to the commended advanced party branches, outstanding party members, and outstanding party workers.

Deputy Secretary Zhang Xuezhong addressed the meeting. He said: The autonomous regional department of industry and electric power is a department with more workers than other departments in Tibet. In the last 40 years, the vast number of party members in the department have led the workers and staff members in working hard, achieving progress, and making positive contributions to the development of Tibet's industries, including electric power industry, and to Tibet's socialist construction despite difficult conditions and hardships.

He urged the commended advanced collectives and individuals to live up to the honor, be modest and prudent, guard against arrogance and rashness, enhance their achievements, make persistent efforts, unite and lead the workers and staff members in working hard, and make new contributions to realizing the 10-Year Program and the Eighth Five-Year Plan and to building a socialist new Tibet.

Tibet's People's Congress Approves 10-Year Plan

OW1605075291 Beijing XINHUA in English
0213 GMT 16 May 91

[Text] Lhasa, May 16 (XINHUA)—The economy of Tibet is projected to grow at an annual rate of 5.8 percent in the coming ten years and most people would have solved their problem of inadequate food and clothing.

According to a 10-year program (1991-2000) and the Eighth Five-Year Plan (1991-1995) for social and economic development approved at the Fourth Session of the Fifth People's Congress of the Tibet Autonomous Region, the gross national product will reach 3.9 billion yuan by the year 2000 from 2.217 billion in 1990 while the region's national income will reach 2.96 billion yuan from some 1.7 billion in 1990 and the total industrial and agricultural output value will reach 1.78 billion yuan as against some 1 billion.

By that time, all problems about food and clothing would have been solved and some people will be living a comfortable life as the people of all other regions in China.

The program and the plan were deemed as realistic and practicable as full consideration is given to the current economic and social conditions and the problems and difficulties ahead.

According to the 10-year program, Tibet will concentrate its efforts on the development of agriculture and animal husbandry and continue to strengthen the construction of energy, communications, posts and telecommunications and mining and other basic industries and infrastructural projects while actively developing textiles, light industry, national handicraft and service industries.

The region has also worked out a development strategy for the central, western, eastern and northern parts of the region.

In the central part, the region will launch a comprehensive development project in the basins of the Yarlung Zangbo River, the Lhasa River and the Nyangqu River, a tributary of the Yarlung Zangbo and make the region a center for producing commodity grains and foodstuffs and a center for light, textile and handicraft industries where advanced technology and research results will be widely disseminated and used. In the western part, special policies and flexible measures will be introduced to promote border trade. In the eastern part which abounds in forest and wild life resources, main efforts will be made to develop industries for processing forest products, herbal medicine, wool and minerals. The northern part of the region will be made a center for processing animal by-products.

Tibet is one of the less developed regions in China, which started development only 40 years ago when the region was peacefully liberated from the cruel rule of serfdom. Its agricultural output value was only 180 million yuan in 1952 and industry was zero. By the end of 1990, however, the agricultural output value reached 789 million yuan and industrial output value reached 235 million yuan.

XINHUA Reports on Tibetan Developments

Social, Economic Reforms Eyed

OW1705064691 Beijing XINHUA in English
0447 GMT 17 May 91

["Great Changes in Tibet (Tibet's Today and Yesterday Background)"—XINHUA headline]

[Text] Beijing, May 17 (XINHUA)—Great achievements has been scored in social reform and economic development in Tibet over the past four decades. They can be summarized as follows:

1. Liberating Tibet peacefully, driving the imperialist forces out of Tibet and contributing to the unification of China's mainland. The Tibetan people have established new socialist national relations with the people of the other nationalities which are characterized by equality, unity,

mutual aid and fraternity. This has contributed to the consolidation of the border defense in southwest China.

2. Fulfilling the democratic reform and thoroughly abolishing the feudal serfdom system characterized by combining religion with politics and the dictatorship of monasteries and aristocrats. The million serfs smashed their shackles to win emancipation for themselves and accomplish great social changes in Tibetan.

3. Setting up the political power of regional national autonomy and unfolding vigorous socialist construction. Tibet has made important achievements in economy and cultural undertakings. This has greatly boosted social productive forces and improved people's standard of living.

Various Stages Examined

OW1705103391 Beijing XINHUA in English
0607 GMT 17 May 91

["How Economic Construction and Reform Carried Out in Tibet (Tibet's Today and Yesterday Background)"]—XINHUA headline]

[Text] Beijing, May 17 (XINHUA)—Tibet's economic construction has gone through three stages:

First, stabilizing and developing production. After the democratic reform began in 1959, Tibet implemented the policy of stabilizing and developing production formulated for Tibet by the central people's government. This policy was meant to stabilize the private ownership of the working people and develop the private economy of farmers and herdsmen.

The policy greatly aroused the enthusiasm of farmers and herdsmen for production and stimulated the rapid growth of Tibet's economy. By 1965, the region's total annual grain output had reached 290 million kg, up 88.6 percent over 1958. The total livestock topped 18 million head, up 54.1 percent over 1958.

Second, realizing public ownership of the basic means of production. Taking the socialist road is not only the inevitable trend of the social development in Tibet but also the aspiration and demand of Tibetan farmers and herdsmen. Through the socialist transformation of the means of production, Tibet brought such basic means of production as farmland, grassland and forests under public ownership.

Tibet's socialist transformation was seriously disrupted during the "Cultural Revolution." Nevertheless, during this period, the Tibetan cadres and people did a lot of work and made a great headway in grain production and capital construction of agriculture and livestock breeding.

Third, reform and opening to the outside world. After the Third Plenary Session of the 11th Central Committee of the Chinese Communist Party held in December 1978, Tibet, like other parts in China, carried out the policy of setting things to right and conducting reform and opening to the outside world. The state

introduced to Tibet a series of preferential policies and flexible measures, promoting rapid progress of various undertakings in the region.

Tibet's economic reform began with agriculture and animal husbandry. On the premise that farmland, grassland and forests remain under public ownership, the policy of "land being used by households for independent management" was introduced to the agricultural areas, and was pledged to "remain unchanged for a long time to come."

According to state regulations, no agricultural and animal husbandry tax was to be levied, and all assigned purchases by the state were to be cancelled over a certain period of time. All relations of production and forms of management unsuited for the development of productive forces were reformed, thus arousing the enthusiasm of farmers and herdsmen for production and management.

At the same time, farmers and herdsmen were encouraged to conduct various forms of economic cooperation and develop township enterprises, thus promoting the development of a commodity economy in Tibet.

In cities, in order to invigorate enterprises, the contract responsibility system and factory director (manager) responsibility system were introduced to factories by expanding their autonomy in management. At the same time, reform was carried out in planning, pricing and taxation. All those have helped strengthen enterprises' vitality and increased their economic returns.

Tibet Autonomous Region has expanded its economic and technical co-operation and exchanges with other parts of the country and the world thanks to the implementation of the reform and open policy.

The region has joined the economic co-operation conference of southwest China to develop its economic ties with Sichuan, Yunnan and Guizhou provinces and the city of Chongqing and absorb their technology, funds, talents and managerial expertise.

In addition, Tibet has also developed foreign trade and tourism with distinctive local characteristics. In co-operation with foreign experts, Tibet has surveyed the development and use of the plateau geothermal energy and wind energy and the processing of animal by-products.

It accepted the U.N. World Food Program's assistance for the comprehensive harnessing of the Lhasa River. The autonomous region boasts great potential for attracting foreign investors. The state has granted Tibet preferential policies, flexible measures and decision-making powers to facilitate its economic construction, reform and opening to the outside world.

Meanwhile, the state continues to render the region technical support. The central government offers Tibet 1 billion yuan in subsidies each year, and the people of various nationalities in other parts of the country are organized to support Tibet's economic development. Since Tibet began the reform and opening to the outside

world its economy has been rehabilitated and developed and its people's standard of living improved to an extent never before seen in Tibetan history.

Cultural Ministry Marks Tibet's Liberation

*OW1605221091 Beijing XINHUA in English
1342 GMT 16 May 91*

[Text] Beijing, May 16 (XINHUA)—The Chinese Ministry of Culture hosted a film reception this evening here to mark the 40th anniversary of the peaceful liberation of Tibet.

Diplomatic envoys and officials, as well as representatives from international organizations and foreign enterprises attended the reception.

Three documentary films were shown including "Tibet in the 1950's," "A Valley in the Himalayas" and "Our Past Days."

XINHUA Profiles Tibetan Major General's Career

*OW1505081691 Beijing XINHUA in English
0743 GMT 15 May 91*

[Text] Lhasa, May 15 (XINHUA)—Major General Gama Cedain, commander of the Xigaze military sub-command in Tibet, is now the most senior Tibetan officer in the Chinese People's Liberation Army.

Tall, sturdy and swarthy, 54-year-old Gama Cedain is full of energy. He tours the snow-clad mountains within his command area each year.

His soldiers used to say, "where there is a sentry post, there are surely our commander's footprints, and whenever we meet with difficulties, our commander is ready to help us."

Gama Cedain has come a long way to become a major general in the People's Liberation Army (PLA).

Gama was born in a Tibetan family in Garze, Sichuan Province. His father was a serf and his mother a servant to a feudal lord. When he was still a young boy, Gama had no choice but to take his two younger brothers and go begging from place to place.

In the winter of 1950, PLA troops arrived in Gama's home village. They found Gama on the verge of death in the snow. The soldiers saved Gama and cared for him in the army camp. There and then Gama understood that the Communist Party and the People's Army are the liberators of the serfs.

In 1953 the people's government sent Gama to study at the cadres' school in Kangding, and then at the Southwest China Institute for Nationalities. Gama joined the Chinese Communist Party in 1957.

In 1959 the ruling clique of the local government of Tibet staged an armed rebellion in an attempt to separate Tibet from the motherland. The rebellious troops committed all kinds of crimes wherever they went, and they burnt down Gama's family's house and killed his two younger brothers.

Filled with great indignation, Gama joined the PLA and fought against the rebellious troops. His bravery won him a second-class merit citation. Later, he won another merit citation.

As an excellent officer, Gama was sent to study at the Nanjing military academy in 1965. In 1972, the 35-year-old man became deputy-commander of the Xigaze military sub-command, and in 1983, he was promoted to the post of commander. In September 1988, he was conferred the rank of major general of the PLA.

In 1983, soon after he became the commander, Gama led his troops in a massive project to improve the facilities of sentry posts, which are mostly situated in mountainous areas several thousand meters above sea level. The commander and his soldiers carried timber and cement through the mountains on their shoulders to the sentry posts.

Some soldiers tried to stop him. They said, "commander, you should only give orders and should not labor like us." Gama replied, "as an officer of the People's Army, I should not just render lip service and stay behind to watch you work."

Under Gama's leadership, the project was completed ahead of schedule, and the conditions for the sentry posts were greatly improved.

Since Gama became deputy commander of the Xigaze military sub-command, he devoted nearly all of his holidays to visiting the soldiers on duty.

Gama's wife said, "it has been 30 years since we were married, but Gama has altogether stayed at home for less than three years."

Gama's two daughters are both college graduates—one from the Shanghai Teachers' University and the other from the Central Institute for Nationalities. Before graduating, they wrote to their father, saying they would like to work in the interior cities. But Gama told them, "sons and daughters of the Tibetan people should devote all we have to Tibet. As the construction of Tibet needs a large number of educated people, I hope you will choose to return and begin your careers here."

Now both of Gama's daughters work in Tibet, one as a teacher and the other as a government employee.

Reports Continue on Cross-Strait Exchanges

ACFTC Promotes Direct Exchanges

OW1505222591 Beijing XINHUA in English
1444 GMT 15 May 91

[Text] Beijing, May 15 (XINHUA)—The All-China Federation of Taiwan Compatriots (ACFTC) will make greater efforts to promote direct exchanges across the Taiwan Straits, according to the working report of ACFTC's Third Council which was released today.

The report was passed at the Fourth National Conference of Taiwan Compatriots which ended here today.

The report claims that the major task of ACFTC during the 1990's will be to further efforts to unite Taiwan compatriots throughout the world, and to promote direct trade, navigation, mail and other exchanges across the straits.

The report announced that ACFTC will offer consultative services to Taiwanese investors who wish to invest on the mainland, and will protect their legal rights.

The report says that ACFTC will develop subsidiary enterprises at different levels and further develop economic exchanges across the straits.

In addition, ACFTC will conduct further studies regarding the present situation of the Taiwanese people, and the effect the end of the so-called "Period of Mobilization To Suppress the Communist Rebellion" has had on people on both sides of the straits.

The report proclaims that the organization will strengthen its connection of the media on both sides of the straits, and that it will introduce the people of Taiwan to China's achievements during 10 years of reform.

Paper Urges End to Hostilities

HK1605102591 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 15 May 91 p 5

[Article by Tao Shian (7118 0013 1344): "Soften Hostility, Promote Exchange"]

[Text] The announcement by the Kuomintang authorities of the termination of the "Period of Mobilization for Suppression of the Communist Rebellion" is expected to help ease the relations between the two sides of the strait, expand two-way exchanges, and promote contacts. Nevertheless, in Taipei statements which are not in perfect harmony with the situation have been uttered repeatedly, such as claiming to enhance the so-called "sense of the enemy and ourselves and awareness on the enemy's presence" and endlessly stating that the termination of the "Period of Communist Rebellion" is a change in the form of fighting communism and the anti-communist policy remains unchanged, the state of war has not been removed" and that the CPC is still "a hostile [di dui 2420 1417] regime;" "rebellion is still around but we just do not adopt a method of 'suppression;" and that "any talks with the CPC are not under consideration" and

"the opening of 'three exchanges' [of mail, air and shipping services, and trade] is impossible at present." For this, a huge military spending budget has been prepared and the "outlay for political operations" have been increased by a large margin. In their "Program for National Unification," the Taiwan authorities professed that "both sides of the strait should renounce the state of war and resolve all disputes with peaceful means." Then why did they sing the same old tune of fighting communism and rejecting peace talks? Why did they keep on sharpening the sense of hostility?

This is because in terminating the "Period of Communist Rebellion," the Taiwan authorities just wanted to adapt themselves to the changed political situation on the island and because they had to make some policy readjustments as cross-strait relations were developing. Their persistence in an anti-communist position and their basic position of dragging the reunification process and preserving the situation of division remain unchanged, however. The tactics stressing that "there must be changes in some aspects and no changes in others," "first, we should strive for stability" in the political situation on the island and "then, strive for a change" in the mainland's political and economic systems are in essence attempts to define the relations between the two sides of the strait by advocating "one China, two political entities" and seeking a "legal" basis for their contentment of retaining a part of the country. Not only will this unrealistic illusion not help achieve national reconciliation, it will lead cross-strait relations to the blind alley of "one China, one Taiwan" or "two Chinas." The entire Chinese people will surely not tolerate it.

Reunifying China by peaceful means has become a consensus of the whole Chinese people. National righteousness, kindred feelings, the interests of both sides of the strait, and the happiness of the common people all call for a speedy end of the state of war on both sides of the strait so that a propitious cloud will rise over the strait and conditions can be created for the reunification of the motherland. With the interests of the entire Chinese nation in mind, the CPC has initiated the principle of "peaceful reunification, one China, two systems" and advocated that different political and economic systems will be practiced within a country; neither will swallow the other; and each party should respect the other and strive for common prosperity. For this purpose, the CPC has kept on appealing to the Kuomintang authorities to have reciprocal party-to-party talks according to the "one China" principle and complete the mission of national unity together with people from other parties.

To soften hostility and ease military confrontation and cross-strait relations, in the last 10 years or so, we have ceased bombarding and flying and shipping materials to the islands including Jinmen, reduced the troops stationed in Fujian's coastal areas, stopped implementing the "Measures for Encouraging and Rewarding Jiang's Military Personnel Crossing Over in Rebellion With

Their Planes (Warships)," actively promoting the opening of mail, air and shipping services, and trade between the two sides of the strait, supported the conducting of exchanges in such areas as learning, culture, sports, and science and technology, encouraged compatriots in Taiwan to invest in the mainland, and mobilized forces of all sides concerned to warmly receive more than 2 million people from Taiwan who came to the mainland for family visits and travel, thus promoting the situation to develop in the direction of peaceful reunification. All these are an embodiment of our good intentions toward the Taiwan side and our sincere efforts for peaceful reunification.

In the face of our sincerity and the demand of the peoples on both sides of the strait for opening direct "three exchanges" and conducting more two-way exchanges, the Taiwan authorities had to loosen their mainland policy. They have still put up obstacles to the exchange of peoples from both sides of the strait so far, however. The Taiwan authorities even criticized the Taiwan people demanding more exchanges as "having a blurred sense of the enemy's presence and a blunted sense of being concerned over the fate of the nation." They have imposed artificial obstacles in the way of the exchange.

Peaceful reunification is the common aspiration of the peoples on both sides of the strait and an irreversible historical trend.

Now that the Taiwan authorities have realized that the reunification of the country is "the best way for the nation's development and the state's prosperity" and announced the termination of the "period of communist rebellion" on time and by conforming to the times, why will they not do some practical work to promote exchanges between the two sides of the strait, boost consensus, and make cross-strait relations harmonious? Why will they not soften hostility, abandon the policy of hostility, and end the state of war to create a more harmonious atmosphere over the Taiwan Strait? Why will they not cease implementing the "pragmatist diplomacy" designed to maintain the situation of division, abandon the "three no's" policy which serves as a drag to the reunification process, discard the mentality of being content to retain a part of the country and resigned to circumstances to promote reconciliation between both sides of the strait? Why will they not contain the spread of "Taiwan independence" and check separatist tendency to prevent outsiders from having a finger in China's internal affairs?

Both the Kuomintang and the CPC are shouldering a great task of reunifying the motherland. Ending disputes, softening hostility, and working together for the development of the country and the rejuvenation of the nation are pressing matters of the moment. It is our hope that the Taiwan Kuomintang authorities will conform to the times, grasp the opportunity, hold peace talks with the CPC at an early date, and together with the latter accelerate the process of peaceful reunification.

ACTA Supports Reunification Bid

HK1605052091 Beijing CHINA DAILY
in English 16 May 91 p 3

[By staff reporter Liang Chao]

[Text] The All China Taiwanese Association (ACTA), a non-governmental mainland organization, will this year increase its efforts to provide more contacts between people on both sides of the Taiwan Strait.

Winding up ACTA's 4th annual conference yesterday, leaders of the organization told 230 representatives that they would "pin more hopes on the Taiwan people to promote the reunification cause."

They promised to act as a "go-between" and to introduce more investment from Taiwan and continue providing information to Taiwan businessmen who intend investing in the mainland.

Later this year, the organization will send reporters working for its monthly VOICE OF TAIWAN to cover the island.

ACTA leaders said they also would strive to make "some major breakthroughs in facilitating direct exchanges between Taiwan and the mainland," and would also contact Taiwanese celebrities for possible performances on the mainland.

Taiwan-born Zhang Kehui, from southeast Fujian Province, was elected ACTA's new president. Among the vice-presidents elected were Xiu Zhaolin and Xu Jinxing, both Kuomintang army veterans.

Since the introduction of "two-way visits" across the Taiwan Strait, the mainland has been host to thousands of visiting family members and relatives from the island, Lin Liyun, ACTA's former president, said.

Of these, more than 2,200 were greeted by ACTA representatives.

Reviewing ACTA's performance during the last three years, Lin said the number of mainland Taiwanese who had visited their relatives in Taiwan had risen to more than 1,000.

Since 1988 nearly 400 Kuomintang army veterans who have been living on the mainland, have returned to their home towns and settled there with their families.

Lin also pointed out that ACTA had established good relations with organizations belonging to the four million Hakka residents now in Taiwan, and some of their leaders had been invited to visit the mainland.

Regular contact with societies in Taiwan, she said, "has enabled us to better understand the situation there and the aspirations of the people. This ensures that ACTA is fulfilling its role as a bridge linking the people living on both sides of the Taiwan Strait."

XINHUA Reports on Compatriots Conference

New Chairman Zhang Kehui Elected

*OW1405154491 Beijing XINHUA in English
1414 GMT 14 May 91*

[Text] Beijing, May 14 (XINHUA)—Zhang Kehui was elected chairman of the All-China Federation of Taiwan Compatriots (ACFTC) today in Beijing during the ongoing fourth national conference of Taiwan compatriots.

Zhang Kehui, 63, is from Zhanghua City in Taiwan. Zhang left Taiwan to study on the mainland at Xiamen University in 1948.

Following liberation, Zhang successively served as deputy secretary-general of the Fujian provincial committee of the Chinese People's Political Consultative Conference, head of the Taiwan office and head of the United Front Work Department of the Chinese Communist Party's Fujian provincial committee, and deputy-director of the Taiwan Affairs Office of the State Council.

Yang Guoqing, who is the director of Beijing municipal office of Overseas Chinese Affairs, was elected vice chairman of the ACFTC.

In addition, Guo Pingtan, Xu Zhaolin and Liang Taiping will continue their roles as vice-chairmen of the ACFTC.

A list of 21 members of the federation's standing council was approved at today's meeting.

Ten people including Lin Liyun, Zhu Tianshun, Peng Tengyun, Zheng Jian and Chen Gu were elected as consultants to the ACFTC.

CPC's Ding Guangen Attends

*OW1505223391 Beijing XINHUA Domestic Service
in Chinese 0649 GMT 15 May 91*

[Excerpt] Beijing, 15 May (XINHUA)—The fourth national Taiwan compatriot representative conference closed today. Ding Guangen, alternate member of the Political Bureau and head of the United Front Work Department of the CPC Central Committee, met with all the representatives attending the conference and held a discussion with the members of the new [fourth] council of the All-China Federation of Taiwan Compatriots. [passage omitted]

The conference revised and adopted the "Constitution of All-China Federation of Taiwan Compatriots," elected the fourth council as the new leading body of the Federation, and arranged future work.

The representatives issued a letter to compatriots in Taiwan.

Zhang Kehui Gives Closing Speech

*OW1505230291 Beijing XINHUA in English
1258 GMT 15 May 91*

[Text] Beijing, May 15 (XINHUA)—The fourth national conference of Taiwan compatriots ended here today.

The conference passed the the working report of the Third Council of the All-China Federation of Taiwan Compatriots (ACFTC), elected the Fourth Council of ACFTC and its leaders, and approved the revised ACFTC Constitution.

Zhang Kehui, the newly-elected chairman of ACFTC, pointed out that during the 1990s, ACFTC will advance the policy of "peaceful reunification" and "one country, two systems," while continuing to hold high the banner of socialism and patriotism.

Zhang said that ACFTC will unite Taiwanese compatriots on the mainland together and keep extensive contacts with Taiwanese compatriots in Taiwan, Hong Kong, Macao and foreign countries to work for the reunification of the motherland.

Zhang called on the federation and its local branches to positively develop economic, scientific, cultural, academic and sports exchanges across the straits. He especially called on them to make contributions to the realization of direct trade, navigation and mail across the straits.

Delegates to the conference issued a letter to the compatriots in Taiwan. The letter says that the contacts between the two sides of the strait have expanded from simply visiting relatives to economic, cultural and other exchanges.

It says that in recent years over two million Taiwan residents have visited the mainland, but that only one thousand Taiwan compatriots on the mainland have visited Taiwan.

The letter expressed a hope that more mainland residents can visit Taiwan in the near future.

Interviewed on Straits

*OW1605041091 Beijing XINHUA Domestic Service
in Chinese 0641 GMT 15 May 91*

[By XINHUA Reporter Wan Hongjiang (8001 4767 1730) and RENMIN RIBAO reporter Wang Lianwei (3769 6647 0251)]

[Text] Beijing, 15 May (XINHUA)— When interviewed by reporters at a Jingxi Hotel room today, Zhang Kehui, the newly elected president of the All-China Federation of Taiwan Compatriots, said that he will work hard and continuously make efforts to render the All-China Federation of Taiwan Compatriots the "home of Taiwan compatriots, so that it will better play the role of being a bridge and a link in exchanges between the two sides of the Straits."

Zhang, who is 63 years old, was elected new president of the All-China Federation of Taiwan Compatriots yesterday at the first council meeting of the Fourth All-China Federation of Taiwan Compatriots.

He told reporters that the Taiwan authorities, under domestic and outside pressure, were forced to end the "Period of Mobilization for the Suppression of the Communist Rebellion" in early May. Objectively, this will help reduce hostility and develop relations between the two sides of the Straits. The new situation and changes have set higher demands on the work of the All-China Federation of Taiwan Compatriots. He said that Lin Liyun, his predecessor at the federation, did much work and laid a sound foundation for the federation since its establishment in 1981. The federation will in the future continue to hold high the banners of socialism and patriotism and do an indepth job of enhancing the relationship between Taiwan compatriots both at home and in overseas.

When touching on the federation's future work, Zhang Kehui said that, as the work of fostering the relationship among Taiwan compatriots is a long-term job, it calls for a down-to-earth workstyle. Federation personnel should familiarize themselves with the current situation and adapt themselves to the development and changes in relations between the two sides of the Straits. They should not only stay in their offices, but also go deep into reality and do more concrete work. Zhang Kehui also stressed the need for the federation to attach importance to economic and trade exchanges with Taiwan. The All-China Federation of Taiwan Compatriots can give play to its advantage of being a patriotic mass organization, do more work in attracting Taiwan compatriots from Taiwan in its capacity as an organization for Taiwan compatriots, and encourage Taiwan compatriots on the mainland to make new friends on Taiwan and urge them to make business tours, investment, and set up plants on the mainland. There has been no lack of successes in this respect.

Zhang Kehui noted that as this year is the 10th anniversary of the founding of the All-China Federation of the Taiwan Compatriots, the federation will sponsor various kinds of activities and commend a number of comrades who have contributed to its establishment and development. The federation also will arrange get-together meetings for compatriots from both sides of the Straits.

Zhang Kehui, who left Taiwan 43 years ago, misses his father, mother, brothers, and sisters on Taiwan. He also misses the landscape and people there. Prior to his present posting, he once assumed leading posts in the foreign affairs office and overseas Chinese office in Fujian. Although he was busy with office work in those years, he still found time to write many articles of his hometown.

"We, the Taiwan compatriots who now live on the mainland, long for the early arrival of the day when we will freely return to our hometown across the Straits."

This is one of the wishes that Zhang Kehui expressed to us before the end of the interview.

Urges Shift in Mainland Policy

OW1605102391 Beijing XINHUA in English
0647 GMT 16 May 91

[Text] Beijing, May 16 (XINHUA)—Zhang Kehui, the newly-elected chairman of the All-China Federation of Taiwan Compatriots (ACFTC), has called on his fellow members to become familiar with Taiwan's situation and do more to strengthen contacts between the two sides of the Taiwan Strait.

In an interview with "PEOPLE'S DAILY" released today, Zhang said the ACFTC has done a great deal to serve Taiwan compatriots since its founding in 1981.

The 63-year-old chairman is determined to exert himself during his tenure of office to manage his organization well in a bid to make it a "home of Taiwan compatriots".

Born in Zhanghua City, Taiwan Province, Zhang left the island to study at the Department of Economics of Xiamen University in Fujian Province in 1948, and has been working there ever since his graduation.

Zhang once served as vice-chairman of the Fujian provincial committee of the Chinese People's Political Consultative Conference, head of the Taiwan office, head of the United Front Work Department of the Chinese Communist Party's Fujian provincial committee and deputy-director of the Taiwan Affairs Office of the State Council.

According to Zhang, the relations between the people on both sides of the Taiwan Strait are developing favorably as a result of the rapid economic development on the mainland, the Communist Party's correct policy towards Taiwan and the increasing calling for the exchange of mail, trade, air and shipping services, thus forcing the Taiwan authorities to change their policies towards the mainland.

He encouraged the members of the ACFTC to let people on the mainland know more about Taiwan and their Taiwan compatriots' ideas.

Flexible Policies Encourage Shenzhen Investment

OW1305021291 Beijing XINHUA in English
0147 GMT 13 May 91

[Text] Beijing, May 13 (XINHUA)—The Shenzhen Special Economic Zone in south China has attracted more Taiwan investors with its ideal geological [word as received] position, preferential policies and quality services, according to today's "PEOPLE'S DAILY".

In 1990 alone, 239 companies with Taiwan investment received approval to operate in Shenzhen, which exceeded the total number of such companies set up in the previous years, the overseas edition of the paper reported.

By the end of March this year, Shenzhen had more than 520 companies funded by Taiwan businessmen. The

negotiated investment reached almost 500 million U.S. dollars and the actual investment stood at 410 million U.S. dollars, it said.

The paper said that Taiwan investment started in the zone in 1983 with the small-scale manufacturing of shoes, umbrellas and garments. Some of the investment was issued in the name of Hong Kong companies.

With more flexible policies adopted by Taiwan authorities in 1987, more Taiwan businessmen received the opportunity to travel to the mainland and witness the ideal conditions in Shenzhen.

Since 1987, the investment scale by Taiwan companies has continued to expand. Now there are eight Taiwan

funded companies, each with investments of more than 10 million U.S. dollars. About 44 percent of the companies established in Shenzhen placed at least one million U.S. dollars as an initial investment.

In recent years, some big companies involved in light industry, electronics, computer software and the chemical industry have come to Shenzhen looking for business opportunities.

The number of solely Taiwan invested companies has also grown to 105, according to the paper.

It also said that all the Taiwan invested companies have had satisfactory results and many have reinvested in Shenzhen.

Economic Ministry Against 'Trade War' With Manila*OW0905085791 Taipei CNA in English 0836 GMT
9 May 91*

[Text] Taipei, May 9 (CNA)—The Ministry of Economic Affairs will not use trade retaliation as weapon in fishery talks between the Republic of China [ROC] and the Philippines.

Economics Minister Vincent Siew said yesterday that economic sanctions would harm both countries. He advised against the "emotional handling" of fishery disputes between the two neighboring countries.

Vice Foreign Minister John Chang told a group of Chinese Filipinos that the Republic of China has no intention of starting trade war with the Philippines.

A trade war seemed imminent after Rene Navarrete, director of the Philippine Bureau of Product Standards, clamped "stern checks" on Republic of China imports on May 6 and threatened to destroy ROC products whose quality fell short of Manila's standards.

The Board of Foreign Trade [BOFT] responded that automobile parts and components, and electric products made in Taiwan must pass pre-shipment inspections by SGS, a Swiss-based inspection firm, before being exported to the Philippines.

"It is hardly possible that our exporters have purposely picked low-quality and defective products for sale to the Philippines," a BOFT official said.

After a "strong response" from Taipei, Manila changed its tone and said the new measures will also apply to products from Korea and Japan.

The Philippine move came on the heels of the Foreign Ministry's strong protest against attacks by Philippine navy boats on ROC fishing boats within the Philippines' 200-nautical-mile "economic zone."

Hsu Chao-ling, BOFT deputy director, said Manila's announcement that it would stiffen checks on ROC products was not aimed at beginning a trade war with the Republic of China.

Vice Economics Minister P.K. Chiang agreed with Hsu that fishery disputes should be settled in separate talks with the Philippines, and should not be mixed with talks on trade frictions.

Chang, while protesting the Philippine Navy's attack on ROC boats, stressed that he had never advocated "sanctions" against Manila.

All these government leaders believe talks are the best way to settle differences, not confrontations.

Joint News Conference Held*OW1705041791 Taipei China Broadcasting
Corporation News Network in Mandarin 2300 GMT
14 May 91*

[Text] A high-ranking official of the Taipei Economic and Cultural Affairs Office and a responsible person of the Overseas Chinese Association in the Philippines told the Philippine press yesterday: The Republic of China [ROC] has never considered and will not consider economic sanctions against the Philippines.

The Taipei Economic and Cultural Affairs Office and the Overseas Chinese Association in the Philippines jointly held a news conference to explain the settlement of fishery disputes between the two countries, to make clear the ROC attitude in this regard and to make known the position of Taiwan investors in the Philippines.

In addition, the ROC and the Philippines will soon hold negotiations on fisheries. (Lo-sai-shih), resident Philippine representative in Taiwan, said yesterday that he would not rule out talks on upgrading ROC-Philippine relations in the future negotiations as he has been seeking such an upgrade.

Taiwanese, Japanese Officials Meet on Trade Deficit*OW1505092791 Taipei CNA in English 0744 GMT
15 May 91*

[Text] Taipei, May 15 (CNA)—Chinese and Japanese economic officials met yesterday in Taipei to discuss the Republic of China's [ROC's] proposals to narrow the perennial trade imbalance between the two countries.

A spokesman for the Association of East Asian Relations, which handles exchanges with Japan on behalf of the ROC Government in the absence of diplomatic relations between Taipei and Tokyo, said the meeting was "significant" as it showed Japan's willingness to address the problem.

The Japanese officials present at the meeting were Tohru Shinohara, a section chief of the Ministry of International Trade and Industry [MITI]; and two other MITI staff members Tadao Ogawa and Tomoyoshi Miyazaka. They arrived here Sunday with a Japanese trade mission organized by Tokyo's influential Federation of Economic Associations (Keidanren).

The Chinese delegation to the meeting comprised high-ranking officials from the Board of Foreign Trade, the Industrial Development Bureau, the International Economic Cooperation Department of the Ministry of Economic Affairs and other trade promotion agencies. During the meeting, the ROC officials presented a list of 33 key components and parts technologies Taipei hopes the Japanese will be willing to transfer to Taiwan. They also asked the Japanese Government to remove non-tariff trade barriers and unreasonable import restrictions.

The ROC also urged Japan to allow professors at its public universities to teach in Taiwan and to open its doors wider to Taiwan science and technology graduates for advanced study and professional training.

The Japanese officials agreed to pass the proposals onto their government and promised to encourage Japanese companies to intensify technology transfers to Taiwan.

BOFT Urges Value-Added Products for U.S Exports

*OW1305110891 Taipei CNA in English 0820 GMT
13 May 91*

[Text] Taipei, May 13 (CNA)—The Board of Foreign Trade (BOFT) urged Taiwan manufacturers to produce high value-added products for export to the United States, the biggest importer of Taiwan products.

BOFT pointed out that Taiwan's edge in the U.S. market has been eroding rapidly because of fierce competition from Mainland China. Taiwan's trade surplus with the U.S. has decreased gradually, now that seven of 10 major export items to the United States overlap those exported by Mainland China.

According to statistics released by Republic of China [ROC] Customs, two-way trade between Taiwan and U.S. reached 8.16 billion U.S. dlr in the first quarter, a decrease of 2.3 percent from last year. ROC exports to the United States totaled 4.75 billion U.S. dlr, down by 7.1 percent; while imports from the United States totaled 3.41 billion U.S. dlr, up by 5.2 percent. The ROC trade surplus with the United States was thus reduced by 28.6 percent to 1.34 billion U.S. dlr for the period.

BOFT said that the United States now falls behind Hong Kong as the second largest country with which the ROC enjoys a trade surplus, but the ROC still depends on the U.S. for 25.5 percent of its total exports.

Statistics released by the U.S. Customs show that Mainland China's trade surplus with the U.S. has increased from 6.05 billion U.S. dlr in 1989 to 10.3 billion U.S. dlr in 1990, a jump of 70 percent, and now enjoys the third largest surplus with the U.S. The sharp increase can be attributed to the large growth of its light industry.

Except for furniture, bedding accessories, lamps, and all kinds of vehicles and parts other than trains and trolleys, Taiwan's ten foremost export item to the U.S., such as footwear, toys, sporting goods, textiles and garments, machinery, domestic electric appliances and plastics now face keen competition with the Mainland Chinese products.

BOFT noted that Mainland China has had numerous trade disputes with the U.S., and its textiles quotas were slashed in the past year, so Taiwan manufacturers should take the opportunity to produce higher quality products to keep their share of the U.S. market.

Paris-Based Economic Group Extends Invitation

*OW1105120391 Taipei CNA in English 0928 GMT
11 May 91*

[Text] Taipei, May 11 (CNA)—The Republic of China [ROC] has been invited to a working-level meeting of the finance committee of the Organization for Economic Cooperation and Development (OECD) in 1992, the Ministry of Finance said today.

A highly placed finance official said the invitation is an honor for the Republic of China, a non-member of the Paris-based organization which groups the world's most advanced countries and is reputedly a rich men's club.

The finance committee is responsible for cancelling unreasonable and outdated taxation and financial systems in the 24 OECD member countries, the official explained. Its working-level meeting usually draws only delegates from member countries.

The OECD committee has also invited ROC delegates to speak on Taiwan's tax and investment regulations, the latest economic situation here and its multi-billion-dollar Six-Year National Development Plan, the official said.

OECD will also include up-to-date economic and trade information about Taiwan in its official publications, an indication that the rich men's club attaches great importance to Taiwan's economic strength, the official noted.

The Ministry of Finance has decided to send representatives to the 1992 OECD finance committee meeting. The ROC hopes such contacts will help pave the way for closer ties with OECD member countries.

Mainland Science Official Calls for Cooperation

*OW1105101091 Taipei CNA in English
0816 GMT 11 May 91*

[Text] Taipei, May 11 (CNA)—A ranking mainland science official has suggested that, with the recent end of the state of war between both sides of the Taiwan Straits, exchanges of visits by scientists and of science information could begin.

Zhang Yungang, deputy secretary general of the Chinese Academy of Sciences, told Taiwan reporters in Peking that the two sides could undertake one or two cooperative science projects on a trial basis.

Such projects, Zhang recommended, could be sponsored by Taiwan's Straits Exchange Foundation, a newly organized intermediary body handling civilian affairs between Taiwan and the mainland.

Initially, Taiwan and the mainland should establish companies in Hong Kong which could commercialize research results for sale on international markets, Zhang said.

He said he has every reason to be optimistic toward cross-the-straits science cooperation and exchanges.

The mainland is strong in scientific and technological research, Taiwan has huge foreign exchange reserves and knows up-to-the-minute commercial information, and Hong Kong is an Asian financial hub, Zhang noted.

By combining the advantages of each, both sides of the straits are certain to gain a larger share of world markets, Zhang. [as received]

Already, the Chinese Academy of Sciences has taken the initiative by establishing a computer company in Hong Kong, he noted.

Zhang also called for holding exhibitions and seminars on both sides and establishing sisterhood ties between Taiwan and mainland universities.

Hong Kong

Zhao Jihua Named HK-Macao Foreign Ministry Chief

HK1405014991 Hong Kong SOUTH CHINA
MORNING POST in English 14 May 91 p 10

[By Chris Yeung]

[Text] China has appointed a new head to the Hong Kong and Macao Affairs Office under the Foreign Ministry, marking another step towards a younger leadership in charge of Hong Kong matters.

Mr. Zhao Jihua, a former member of the Chinese delegation to the United Nations, has taken up the post vacated by Mr. Chen Ziyang, who has been promoted to be the right hand man of Mr. Lu Ping.

Both Mr. Zhao and Mr. Chen are in their early 50s.

Mr. Zhao was posted to the Chinese Embassy in Washington before he became a deputy director of the Foreign Ministry's Hong Kong and Macao Affairs Office in the mid-1980's.

He was then transferred to the UN headquarters in Geneva as part of the Chinese delegation.

The latest personnel change is part of the ongoing process of the central Government to rejuvenate its policy branches on Hong Kong matters, following the promotion of Mr. Lu to replace Mr. Ji Pengfei as Director of the State Council's Hong Kong and Macao Affairs Office.

Mr. Chen, the predecessor of Mr. Zhao as director of the Foreign Ministry's Hong Kong and Macao Affairs Office, later became a deputy to Mr. Lu.

Although a post of the deputy director of the State Council's Hong Kong and Macao Affairs Office remains vacant, a mainland official said there was no immediate plan to name another deputy to Mr. Lu.

The official said Mr. Qiao Zonghuai, a vice-director of the local branch of the New China News Agency, was scheduled to return to Hong Kong after completion of a course in the Communist Party Central Party School in Beijing at the end of this month.

"So far, all reports on Mr. Qiao's next posting are speculative," the official said.

Mr. Qiao, son of a former Chinese foreign minister and in his early 50s, was earlier tipped to be promoted after the party course, to become either a deputy to Mr. Lu or a Vice-Foreign Minister.

British, HK Officials Confer on Airport Issue

HK1705024191 Hong Kong HONGKONG STANDARD
in English 17 May 91 p 1

[By S.Y. Yue and Stanley Leung]

[Text] The crucial question of Hong Kong's autonomy was the focus of a day of top-level meetings at Government House yesterday to prepare for resumption of the stalled airport talks in Beijing.

British and Hong Kong officials involved in the talks met in the morning and again in the evening.

Sources close to the talks later said Britain wanted to address China's concerns about the project, but the over-riding principle of autonomy could not be sacrificed.

Finance and Chinese participation in big projects including the airport are known to be the outstanding issues for the Sino-British talks.

The talks resume in Beijing tomorrow more than a month after they were adjourned in deadlock.

"If consultation related to the airport was too detailed and onerous, it would be unacceptable to the Hong Kong Government," one source said.

He said Chinese representation on the future Airport Authority was not disputed, but the problem was whether or not the Chinese side should have the right of veto.

"Our answer is that the Hong Kong Government should be responsible for Hong Kong," he said.

The talks are due to end next Wednesday and a joint communique is expected if they are successful.

The British team, led by the Assistant Under-Secretary for the Asian Region at Britain's Foreign Office, Andrew Burns, will fly to Beijing early this morning.

The Foreign Office spokesman in Hong Kong, Chris Osborne, flew there on Wednesday.

The new member of the Chinese team, Chen Rongchun, the director of the Foreign Affairs Office of the local XINHUA News Agency has already gone to Beijing to discuss the team's standpoint with other members.

Chen Zuoer, the Chinese team leader and other members who are staff of the Hong Kong and Macao Affairs Office, have stayed away from their offices to concentrate on preparing for the talks.

Yesterday's sessions at Government House—one in the morning and the other after 5 pm—were attended by the Governor, Sir David Wilson, the Chief Secretary, Sir David Ford, Financial Secretary, Sir Piers Jacobs, his successor Hamish Macleod, the Political Adviser William Ehrman, the Secretary for Treasury, Yeung Kai-yin, the deputy Secretary for Works responsible for the airport projects Rafael Hui and the Secretary for Economic Services, Anson Chan.

Also there was the head of British side of the Joint Liaison Group [JLG], Anthony Galsworthy.

Both British and Chinese sides have sought advice from the JLG, as the airport talks are actually a negotiation on the implementation of the Joint Declaration.

Meanwhile, a pro-Beijing daily yesterday reiterated China's stand that the consultation it has been seeking on major local issues does not constitute interference.

The WEI WEI PO said consultation did not contradict the principle of non-interference.

The editorial, headed "new airport issue and an effective administration of Hong Kong Government", said China's insistence on its right to be fully consulted on major affairs which straddle 1997 was in accordance with the Sino-British Joint Declaration.

WEN WEI PO Reports on Airport Issue

HK's Future Administration Eyed

*HK1605105791 Hong Kong WEN WEI PO
in Chinese 16 May 91 p 2*

[Editorial: "New Airport Issue and Hong Kong Government Effective Administration"]

[Text] The Sino-British talks over Hong Kong's new airport project are scheduled to be resumed. While in Australia for a visit, Governor Sir David Wilson said that he hoped the talks would lead to a satisfactory agreement so the airport project would be launched and the Hong Kong government would continue to administer the territory effectively. In fact, he said, this is just what the Chinese government hoped for.

The Chinese side has been consistently positive about the construction of a new airport and has hoped that the new airport would be built as soon as possible to meet the demands of economic development in Hong Kong and to enable Hong Kong to maintain its position as an international financial and trade center. As early as the 1980's, the Chinese government expressed hope to the Hong Kong government on many occasions that the latter would make up its mind to have the new airport built. When the Hong Kong government felt it necessary to enlist China's support in building the new airport, the Chinese government sent a specialist sub-group to Hong Kong for investigations and talks, at the invitation of the Hong Kong government. The recent talks over the new airport were adjourned at the suggestion of the British side. Since then the Chinese side has kept the door open and repeatedly hoped in public that the talks would be resumed. All this indicates the Chinese side has been positive and sincere about the new airport project.

One thing we should not evade is that the airport will not be completed until after 1997, however, when Hong Kong will become the PRC's special administrative region (SAR). According to the Sino-British Joint Declaration on the Question of Hong Kong, British rule over Hong Kong will end on 30 June, 1997. The British side has no right to do anything for the SAR government. The Chinese government

must take up any issue that straddles 1997, that is related to the smooth hand-over of the sovereignty, or for which the future SAR government will be held responsible, while the British side should hold consultations with the Chinese side about all these affairs, too. Such a practice accords with the spirit of the joint declaration. That the Chinese side has kept to this principled position does not run against the necessity for the Hong Kong government to maintain effective rule during the pre-1997 transitional period. Only when the Chinese side is consulted and gives its cooperation and support on issues that span 1997, can the Hong Kong government remain an efficient and authoritative government. The new airport issue has highlighted this argument.

Why should the airport issue come to such a pass as we have found it at present? The British side is basically to blame. At first they did not want the Chinese side to have a hand in the airport plan put forward by the Hong Kong government. Even when they asked the Chinese side to announce its support for the plan, they failed to hold frank and sincere consultations with the Chinese side and give their cooperation. Given this, it was impossible for the Chinese side to voice its support, while the construction of a new airport, a project spanning 1997, would be out of the question without the Chinese side's support and cooperation. Evidently, without this, the Hong Kong government would be unlikely to enjoy efficiency and authoritativeness on the airport problem. All this shows that separating Sino-British consultations and cooperation from the maintenance of the Hong Kong government's effective rule or setting the former against the latter would not only hinder the construction of the new airport, but would also cause harm to the Hong Kong government's effective administration.

The Chinese side has repeatedly hoped that the Hong Kong government would remain an authoritative and efficient government. Because this is where Hong Kong's existing stability and prosperity lie. It is for this reason that the Chinese side has had no intention of interfering with the Hong Kong government's day-to-day administration prior to 1997. It has never done so, which has been born out by facts; and it will never do so, which will be proved by future facts. Such charges as "interference ahead of 1997," "seeking joint control," and "seeking a veto" are groundless.

The scheduled resumption of the Sino-British talks over the airport project attracts widespread attention. We believe that so long as the two sides make allowance for each other and adopt a cooperative attitude, they will find a construction program that is cost-efficient, can benefit Hong Kong, and will not entail a heavy burden for Hong Kong. With this done, not only would the airport project go ahead without a hitch, but the Hong Kong government would also draw substantial support from it to maintain its effective administration.

Talks Improve, Conflict Remains

HK1705103591 Hong Kong WEN WEI PO
in Chinese 17 May 91 p 15

[Article by Chen Chien (7115 1017): "Airport Talks Atmosphere Improves, But Contradictions Still Remain"]

[Text] The Sino-British talks on Hong Kong's new airport will reopen tomorrow. Because both the Chinese and British officials have changed tones and adopted a friendly attitude beforehand, people expect that a compromise plan for airport construction will be reached during this round of talks. Since the major problem of transfer of sovereignty was solved in the past, there is no reason to believe that the problem of new airport cannot result in a compromise; the problem is the degree of compromise and how the final plan affects Hong Kong's interests.

Chinese Side Considers Interests of Hong Kong People

Each side has a different understanding of the interests of Hong Kong, and each publicizes its point of view through public opinion. The Chinese officials have emphasized a construction plan which requires a small amount of investment, has high returns, is good for Hong Kong, and will not bring about a heavy burden. The British Hong Kong officials stress building the airport as soon as possible and effective control by the British Hong Kong Government during the transition period. The different contents stressed by each side are not contradictory; but in reality, they reflect the difference in each side's position. What is stressed by the Chinese side is something clearly wanted by the Hong Kong people. Comparatively, what is stressed by the British Hong Kong authorities is a good deal of self-protection amid ambiguity. Control cannot ignore the returns on major construction plans; conversely, to illustrate effective control, it is necessary to have some sincerity and look for the best plan which has the highest returns.

As we have said before, Hong Kong is a Chinese place, and Hong Kong's prosperity and stability is very important to China; judging from the basic and long-term interests, the Chinese side has to set store by Hong Kong's interests. In all fairness, can the Hong Kong people expect the British side to speak for Hong Kong's interests? Britain and the Hong Kong Government under its leadership must consider their own interest, and look for the biggest benefit and make relevant arrangements before pulling out; this is absolutely fair, whereas the Hong Kong people can only expect that it can satisfy both sides and refrain from harming others to benefit itself.

Selection of Site Determines Scale of Investment

Although the atmosphere before the talks on the new airport problem is good; in reality, basic contradictions remain unchanged, and it seems that it is very difficult to mediate. The core of the new airport problem is still selection of site. According to the current plan, the site is

in Chek Lap Kok, and this in fact has determined the scale of capital construction. Apart from large-scale reclamation and land leveling, the most crucial point is that a gigantic bridge across the sea, which requires a huge amount of money, must be built, but this single thoroughway is not viable in the case of future accidents and does not suit trade and transport development in south China. If the site does not change, then, the Ching-Ma Bridge must be built according to plan, and then, reduction of expenditure can only be limited and is prone to become something neither fish nor fowl. If the site is changed, however, and in particular if a suitable place can be found in northwest Kowloon, then, small investment and high returns are not empty words.

Effective Control Becomes Tricky

To choose another site and formulate another plan, new research is indeed needed, as is further expenditure on consultancy fees, but this is a choice between a watermelon and a sesame seed; adoption of a better plan will eventually reduce total cost greatly, and will even reduce the construction time. The Hong Kong Government and councillors hesitated because a great change in the plan might jeopardize authoritativeness. Of course, political skill must be employed in this case to please everyone, but we hope when facing a decision which has great impact, they should set store by Hong Kong's interests. The so-called problem of effective control is only a problem of the British side using some negative opinions of the Hong Kong people to cover and support its plan. Please do not let it hold sway.

Bad Consequence of Inflation Cannot Be Taken Lightly

Out of consideration of its own interests, the British side will not easily accept the plan of selecting another site. We hope the Chinese side will not sacrifice Hong Kong's interests when appropriately considering the interests of the British side. Just as Hongkong Bank's chairman Purves pointed out recently, Hong Kong's inflation has reached a dangerous level and will jeopardize the economy if it is not brought under control. At this moment, large-scale capital construction will further stimulate inflation, and if it is not carefully considered, the result would be disastrous. We might be accused of spoiling the atmosphere if we say the British plan is aimed at causing harm, but the objective effect of the plan must be looked at nevertheless. We do not want to see inflationary prosperity or the Special Administrative Region Government and the Hong Kong people suffering the consequences after 1997.

XINHUA Reports HK's Admission to PECC

OW1705014891 Beijing XINHUA in English
0055 GMT 17 May 91

[Text] Hong Kong, May 17 (XINHUA)—Hong Kong will be admitted as a full member of the Pacific Economic Cooperation Conference (PECC) at the PECC's

eighth general meeting scheduled for May 20-22 in Singapore, according to the local government information services department.

A 14-member delegation from Hong Kong comprising government officials, academics and business leaders will attend the meeting, the department said. The delegation will be led by Deputy Secretary of Trade and Industry Joseph Wong Wing-ping, who is chairman of the Hong Kong Committee for Pacific Economic Cooperation.

Wong said that Hong Kong's presence at the Singapore meeting would mark a significant milestone in the territory's participation in economic cooperation in Asian-Pacific as Hong Kong would be formally admitted on that occasion as a full member of the PECC.

As an integral part of the regional economy and the fourth largest trading entity in the region, Hong Kong is poised to contribute to and benefit from regional economic cooperation, he added.

The Hong Kong Committee for Pacific Economic Cooperation was set up on March 19 last year to advise on matters relating to Hong Kong's participation in the PECC. The committee filed a formal application for PECC membership in April last year.

The PECC is a non-governmental organization set up in 1980 to develop cooperation in trade and economic policy issues in the Pacific region. Its membership is expected to increase to 19 when Hong Kong, Chile, Mexico and Peru are admitted at the forthcoming general meeting.

China Shipping Firm To Aid in Constructing Port

*OW1505222691 Beijing XINHUA in English
1020 GMT 15 May 91*

[Text] Beijing, May 15 (XINHUA)—A joint venture was established today between the China Ocean Shipping Company (COSCO) and the Hongkong International Terminals (HIT) to construct two berths at Hong Kong's Kwai Chung container port.

Upon completion in 1994 of the construction work on the two berths, which will handle up to 800,000 standard containers annually, the joint venture, named COSCO-HIT Terminals (Hong Kong) Ltd., will own and operate Terminal 8 East, the site of the berths, a spokesman from COSCO head office said.

Liu Zhu, executive vice president of COSCO noted, "We are pleased to participate in the construction of Hong Kong port. The joint venture complements the development plans of COSCO, and the joint efforts of the two enterprises will serve to keep Hong Kong as the region's leading trade and economic center."

Commenting on the joint venture, John Meredith, managing director of HIT, said, "COSCO is one of the fastest growing shipping companies in the world." He added

that he hopes his company will further its cooperation with COSCO through the joint development of Hong Kong port.

In the past few years, the number of containers handled by COSCO has been expanding by 20 percent annually, with the total annual handling capacity amounting to more than 500,000 standard containers, according to the spokesman.

Terminal 8, with the total investment of seven billion Hong Kong dollars, will be located on Stonecutters Island and linked to the existing Kwai Chung container port complex. Its four berths will cover 58 hectares of land and its total annual handling capacity will be 1.6 million standard containers.

Macao

New Government Formed, Inaugural Ceremony Held

*OW1705105891 Beijing XINHUA in English
1032 GMT 17 May 91*

[Text] Macao, May 17 (XINHUA)—Macao has formed a new government, and an inaugural ceremony was held here yesterday.

The new government has seven secretaries who are all new faces. They include five secretaries coming from Portugal. The two others are Portuguese natives born in Macao.

The seven secretaries are:

Secretary of Economic Affairs Vitor Rodrigues Pessoa,
Secretary of Public Construction and Transport Jose Manuel Machado,
Secretary of Legal Affairs Macedo de Almeida,
Secretary of Public Health and Social Affairs Ama Maria Basto Peres,
Secretary of Educational and Administrative Affairs Jorge Rangel,
Secretary in Charge of Security Henrique Manuel Lages Ribeiro and
Secretary of Information and Tourism.

The new Macao governor Vasco Joaquim Rocha Vieira chaired the inaugural ceremony and touched on the new government's policy in his speech.

He said the external policy of his government will put priority on developing friendly relationship with the People's Republic of China.

In line with the Sino-Portuguese Joint Declaration on the Macao Question, the new government will devote its major effort to work for a transfer of the present Macao into the Macao special administrative region under the conditions of stability, safety and prosperity, he said.

New Governor Assumes Post

HK1105021391 Hong Kong SOUTH CHINA
MORNING POST in English 11 May 91 p 1

[By Adam Lee in Macao]

[Text] Macao's new Governor, General Rocha Vieira, arrived in the Portuguese enclave yesterday afternoon to take up his new post.

About 2,000 people lined the Macao waterfront to see him arrive by jetfoil from Hong Kong after the general and his party had flown in from Lisbon earlier in the day.

General Vieira's chartered jetfoil was escorted into the harbour by Marine Police vessels while firecrackers were set off on other boats to celebrate his arrival.

Officials, including the director of the New China News Agency in Macao, Mr Guo Dongpo, and Catholic Bishop Dom Domingos Lam, were among those at the pier to meet General Vieira and his wife, Maria Leonor.

Near the wharf, a group of about 50 squatter hut tenants from the Ilha Verde held a banner with welcoming messages in Cantonese and Portuguese.

General Vieira was driven to the Governor's Palace, where he reviewed a guard of honour and took a salute from members of the security forces.

The 51-year-old career soldier vowed to guide the community of 550,000 people through the transition period before the enclave's return to Beijing rule in 1999.

He said he realised there had been conflicts between the administration and the legislative assembly in Macao in the past, but hoped to solve the problem during his administration.

General Vieira replaces Mr Carlos Melancia who resigned last year following allegations of corruption over the new Macao airport contract.

Basic Law Drafting Committee Visits Beijing

To Exchange Views With Mainland

OW1605040791 Beijing XINHUA in English
0015 GMT 16 May 91

[Text] Macao, May 16 (XINHUA)—An 18-member delegation from the Consultative Committee on the

drafting of the future Macao Special Administrative Region's basic law led by its Director Chui Tak Kei left here Wednesday for Beijing via Guangzhou.

The delegation is the third of its kind invited by the Macao Basic Law Drafting Committee to visit the Chinese mainland.

During their stay in Beijing, the delegation members will exchange their views on the draft text of the Macao basic law with the mainland members of the Macao Basic Law Drafting Committee.

They will also pay a visit to Shandong Province.

Chui expressed the belief that while the drafting of the Macao basic law was progressing in depth, the visit would be helpful to promote cooperation and mutual understanding between the drafting committee and the consultative committee members.

Forum Held 16 May

OW1605075691 Beijing XINHUA in English
0518 GMT 16 May 91

[Text] Beijing, May 16 (XINHUA)—The third visiting group sent by the Basic Law Consultative Committee of the Macao Special Administrative Region (MSAR) had a forum here today with part of the basic law drafting committee members from the mainland.

The group, headed by Tsui Teh-chi, chairman of the consultative committee, has come as guests of the Basic Law Drafting Committee for the MSAR.

Attending the forum were Lu Ping, secretary general of the drafting committee and director of the Hong Kong and Macao Affairs Office of the State Council, and Chen Ziyang, member of the drafting committee and deputy director of the Hong Kong and Macao Affairs Office.

The seventh plenary session of the drafting committee is expected to discuss, adopt and make public a draft of the Basic Law for MSAR in July this year to solicit comments from the general public.

According to Lu, the forum was aimed at gathering more opinions and suggestions from the people in Macao.

During the forum, consultative committee members expressed satisfaction with the progress in the drafting work over the past two years and offered good opinions and suggestions on drafting the basic law.

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